Manitoba

Annual Report
2001 - 2002

Industry, Trade and Mines

Includes 10% post-consumer waste

Manitoba

Rapport annuel
2001 - 2002

Industrie, Commerce et Mines

Composé à 10% de déchets de consommation

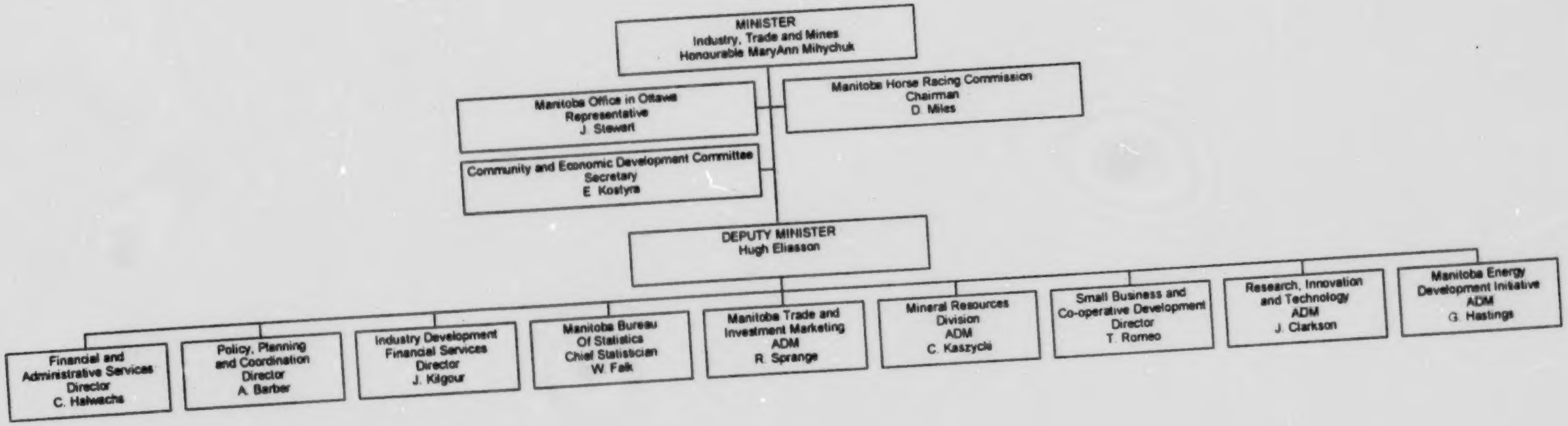
TABLE OF CONTENTS

Title	**Page**
Organization Chart	i
Organigramme	ii
Preface	**1**
Introduction	1
Report Structure	1
Statutory Responsibilities	1
Organization	2
Role and Mission	2
Avant-Propos	**4**
Introduction	4
Structure du Rapport	4
Responsabilités Législatives	5
Organisation	5
Rôle et Mission	5
Administration and Finance	**7**
Minister and Executive Support	7
Financial and Administrative Services	8
Policy, Planning and Coordination	12
Manitoba Office in Ottawa	14
Manitoba Bureau of Statistics	16
Grant Assistance – Manitoba Horse Racing Commission	19
Business Services	**20**
Industry Development - Financial Services	20
Manitoba Trade and Investment Marketing	23
Small Business & Entrepreneurial Development	33
Manitoba Energy Development Initiative	36
Mineral Resources	**39**
Manitoba Geological Survey	39
- Map – Location of Projects	46
- Mineral Industry Support Programs	48
- Mineral Exploration Assistance Program	48
- Manitoba Prospectors Assistance Program	49
- Manitoba Potash Project	49
- Acid Rain Abatement Program - Flin Flon	49
Mines	51
Petroleum	58
Community and Economic Development	**66**
Community and Economic Development Committee	66
Premier's Economic Advisory Council	69

TABLE OF CONTENTS

Title	Page
Research, Innovation and Technology	**70**
Research, Innovation and Technology	70
Access 204 Manitoba	80
The Industrial Technology Centre	82
Amoritization of Capital Assets	**83**
Financial Information for Section 1	**84**
Reconciliation Statements	84
Expenditure Summary	85
Expenditures Summary Explanations	89
Revenue Summary by Source	90
Revenue Summary Explanations	91
Five-Year Expenditure and Staffing Summary by Appropriation	92
Appendices	**93**
A. Associated Agencies	93
B. Summary of Business Assistance	95
C. Listing of Business Assistance	96
D. Departmental Mineral Resources Division Publications	103
E. Departmental Directory	112

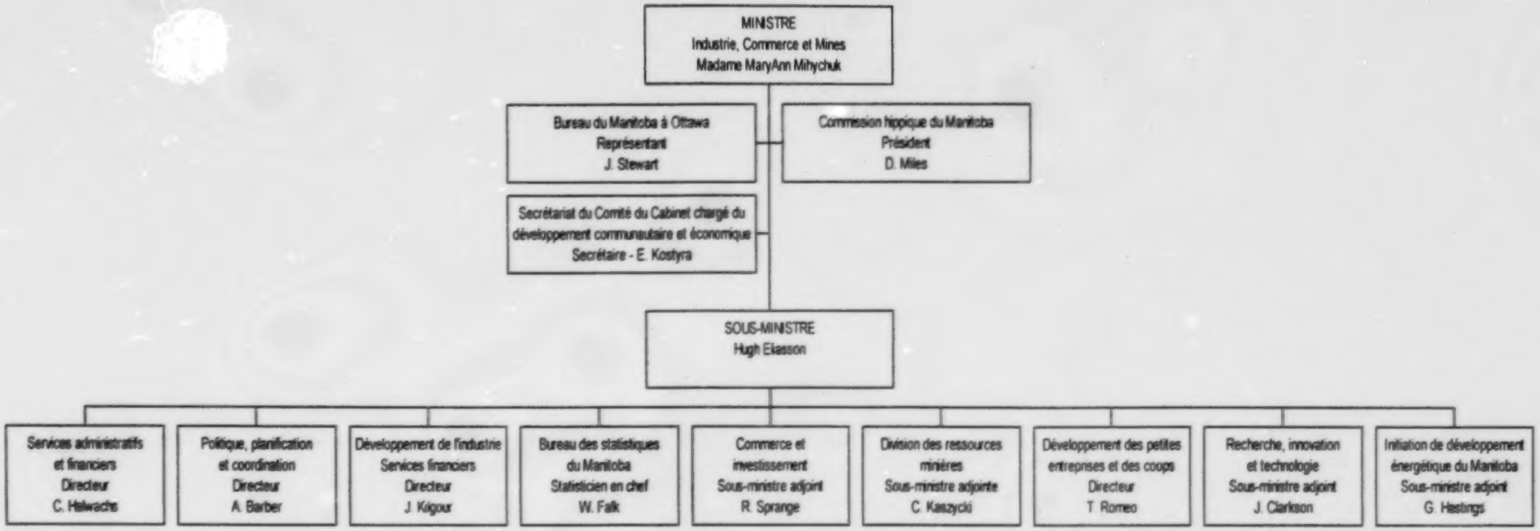
INDUSTRY, TRADE AND MINES ORGANIZATION CHART


MINISTER
Industry, Trade and Mines
Honourable MaryAnn Mihychuk
Manitoba Office in Ottawa
Representative
J. Stewart
Manitoba Horse Racing Commission
Chairman
D. Miles
Community and Economic Development Committee
Secretary
E. Kostyra
DEPUTY MINISTER
Hugh Eliasson
Financial and
Administrative Services
Director
C. Halwachs
Policy, Planning
and Coordination
Director
A. Barber
Industry Development
Financial Services
Director
J. Kilgour
Manitoba Bureau
Of Statistics
Chief Statistician
W. Falk
Manitoba Trade and
Investment Marketing
ADM
R. Sprange
Mineral Resources
Division
ADM
C. Kaszycki
Small Business and
Co-operative Development
Director
T. Romeo
Research, Innovation
and Technology
ADM
J. Clarkson
Manitoba Energy
Development Initiative
ADM
G. Hastings

NOT REFLECTED ON THIS CHART:
THE MANITOBA TRADE AND INVESTMENT CORPORATION ,
THE MANITOBA DEVELOPMENT CORPORATION,
THE COOPERATIVE PROMOTION BOARD,
THE COOPERATIVE ASSOCIATIONS LOANS AND LOANS GUARANTEE BOARD
AND THE MANITOBA MINING BOARD

As at March 31, 2002

INDUSTRIE, COMMERCE ET MINES
ORGANIGRAMME


MINISTRE
Industrie, Commerce et Mines
Madame MaryAnn Mihychuk
Bureau du Manitoba à Ottawa
Représentant
J. Stewart
Commission hippique du Manitoba
Président
D. Miles
Secrétariat du Comité du Cabinet chargé du
développement communautaire et économique
Secrétaire - E. Kostyra
SOUS-MINISTRE
Hugh Eliasson
Services administratifs
et financiers
Directeur
C. Halwachs
Politique, planification
et coordination
Directeur
A. Barber
Développement de l'industrie
Services financiers
Directeur
J. Kilgour
Bureau des statistiques
du Manitoba
Statisticien en chef
W. Falk
Commerce et
investissement
Sous-ministre adjoint
R. Sprange
Division des ressources
minières
Sous-ministre adjointe
C. Kaszycki
Développement des petites
entreprises et des coops
Directeur
T. Romeo
Recherche, innovation
et technologie
Sous-ministre adjoint
J. Clarkson
Initiation de développement
énergétique du Manitoba
Sous-ministre adjoint
G. Hastings

N'APPARAISSENT PAS DANS CET ORGANIGRAMME :
COMMERCE ET INVESTISSEMENT MANITOBA ,
LA SOCIÉTÉ DE DÉVELOPPEMENT DU MANITOBA,
LE CONSEIL DE PROMOTION DE LA COOPÉRATION,
LA COMMISSION DU PROGRAMME DE PRÊTS ET DE GARANTIE DES PRÊTS AUX COOPÉRATIVES
LA COMMISSION MINIÈRE

Le 31 mars 2002

PREFACE

INTRODUCTION

In October of 1999, the Departments of Industry, Trade and Tourism and Energy and Mines were re-organized. The Industry Development and Trade Divisions of Industry, Trade and Tourism were amalgamated with the Mineral Resource Division of Energy and Mines to form the department of **Industry, Trade and Mines**. The Tourism Division, with the exception of Small Business and Entrepreneurial Development, was transferred to the Department of Culture, Heritage and Tourism and the Petroleum and Energy Branch of Energy and Mines was transferred to the Department of Conservation. In January of 2001, Petroleum was transferred to the Mineral Resource Division with Industry, Trade and Mines.

REPORT STRUCTURE

The Annual Report is organized in accordance with the department's appropriation structure as at April 2001 and in the Main Estimates of Expenditure for the Province. The Report includes financial performance and variance information at the main and sub-appropriation levels and information relating to the department's objectives and results at the sub-appropriation level. The Report also includes information about associated agencies, business assistance, revenue and expenditures, a five-year comparison of expenditures and a staffing analysis.

STATUTORY RESPONSIBILITIES

The Minister of Industry, Trade and Mines is responsible for the following:

The Co-operative Associations Loans and Loans Guarantee Act
The Cooperative Promotion Trust Act
The Design Institute Act
The Development Corporation Act, D 60
The Economic Innovation and Technology Council Act
The Electronic Commerce and Information Act (except Part 5)
The Gas Pipe Line Act
The Gas Allocation Act
The Greater Winnipeg Gas Distribution Act (S.M. 1988-89, c. 40)
The Manitoba Employee Ownership Fund Corporation Act
The Horse Racing Commission Act
The Labour-Sponsored Venture Capital Corporations Act
The Mines and Minerals Act
The Mining and Metallurgy Compensation Act
The Oil and Gas Act
The Oil and Gas Production Tax Act
The Statistics Act
The Manitoba Trade and Investment Corporation Act

As per Schedule "L" & "Q", Order-In-Council 12/2001

ORGANIZATION

The department's 2001/02 organization structure is illustrated in the Organization Chart, page i. The roles, responsibilities and staffing are outlined in the following information.

ROLE AND MISSION

The Minister of Industry, Trade and Mines and the department, in pursuit of a vision of a prosperous and dynamic Manitoba economy generating progressive and sustainable employment and economic growth for all Manitobans, have established as their mission:

To facilitate private sector job creation by fostering and promoting an environment conducive to the sustainable development and growth of Manitoba business and mineral resources.

In order to achieve this mission, the department is organized in five divisions:

***ADMINISTRATION AND FINANCE DIVISION*:** provides support for the operations of the offices of the Minister and Deputy Minister; provides central financial, administrative, human resources and computer support services to the department; provides policy support in trade and economic development to the department and across government; coordinates and supports departmental strategic and business planning and knowledge management initiatives; provides on-going strategic federal-provincial information and assists Manitobans in dealing with federal authorities; coordinates the economic and labour force statistical system to adapt to changing policy and program requirements of the Manitoba government and Crown agencies and; provides for the supervision and regulation of horse racing and the operation of race tracks in Manitoba.

BUSINESS SERVICES DIVISION: provides or facilitates business access to capital; provides assistance and support for mineral exploration and development projects; provides business with assistance to identify and take advantage of opportunities in export markets, and promotes Manitoba investment opportunities abroad to increase exports, inward investment and employment; coordinate and deliver a range of services for the enhancement and growth of Manitoba's entrepreneurial and small business community and provides support to groups and communities seeking to incorporate as cooperative enterprises; develops and implements Government-wide economic development strategies encompassing Manitoba Hydro-electric resources and alternative energy development opportunities.

MIINERAL RESOURCE DIVISION: promotes wise land management and environmentally sustainable economic development in the province based on Manitoba's mineral resources; fosters and enhances business development opportunities in mineral economic development through promotion and marketing activities; provides authoritative documentation of the province's mineral endowment and development potential; administers the delivery of mineral industry support programs; administers legislation governing the disposition of mineral rights, exploration, development and production of Manitoba's mineral resources and, the rehabilitation of mines and quarries; administers legislation governing the exploration, development and production of petroleum resources, and the rehabilitation of abandoned petroleum sites; conducts safety and health inspections of petroleum industry operations as outlined under The Workplace, Safety and Health Act.

COMMUNITY ECONOMIC DEVELOPMENT COMMITTEE: provides analytical expertise and administrative support to the Community Economic Development Committee of Cabinet; coordinates all major government initiatives relating to community and economic development in the provinces; provides advice and support in the ongoing development of Manitoba's economic strategy including identifying priorities, soliciting community input and assisting in formulating policy and recommendations.

MANITOBA RESEARCH, INNOVATION AND TECHNOLOGY provides for the development, analyses and communication of policies related to innovation, research and development, technology and telecommunications; oversees the implementation of the Health Research Initiative, the Manitoba Centres of Excellence Fund, the Economic Innovation and Technology Fund and the Manitoba Innovation Fund; provides development services to industry in the areas of technology and infrastructure to support economic growth and stimulate employment; and provides a coordinating function for all research, innovation, science and technology initiatives in government; promotes health research at Manitoba's major research facilities and assists to channel donor contributions to research by providing funding for overhead costs incurred by research facilities; provides funding to Manitoba-based research and development projects under the Centres of Excellence initiatives; facilitates the growth and transformation of call centres due to e-commerce industry in terms of infrastructure, capital and human resource requirements and; facilitates economic development in Manitoba through the provision of industrial technology services.

AVANT-PROPOS

INTRODUCTION

C'est en octobre 1999 qu'ont été restructurés le ministère de l'Industrie, du Commerce et du Tourisme et le ministère de l'Énergie et des Mines. Le fusionnement de la Division du développement de l'industrie et de la Division du commerce, relevant toutes deux du ministère de l'Industrie, du Commerce et du Tourisme, avec la Division des ressources minières, du ministère de l'Énergie et des Mines, a donné naissance au ministère de l'**Industrie, du Commerce et des Mines**. La Division du tourisme, à l'exception de la Direction du développement du commerce et des petites entreprises, a été transférée au ministère de la Culture, du Patrimoine et du Tourisme, tandis que la Direction des ressources pétrolières et de l'énergie passait sous la relève du ministère de la Conservation. En janvier 2001, les bureaux responsables des ressources pétrolières ont de nouveau été transférés à la Division des ressources minières du ministère de l'Industrie, du Commerce et des Mines.

STRUCTURE DU RAPPORT

L'agencement du rapport annuel reflète la structure budgétaire du ministère de l'Industrie, du Commerce et des Mines au mois d'avril 2001 et le Budget des dépenses de la Province. Le rapport donne des renseignements au niveau des postes principaux et secondaires du budget en ce qui concerne le rendement financier et les écarts par rapport aux prévisions, ainsi que des renseignements au niveau des postes secondaires en ce qui concerne les objectifs du ministère et les résultats atteints. Il présente en outre des renseignements sur les organismes associés, le soutien aux entreprises, les recettes et les dépenses, ainsi qu'une récapitulation quinquennale des dépenses et de la dotation en effectif.

RESPONSABILITÉS LÉGISLATIVES

La ministre de l'Industrie, du Commerce et des Mines veille à l'application des lois suivantes :

Loi sur les prêts et la garantie de prêts aux coopératives
Loi sur le fonds en fiducie de promotion de la coopération
Loi sur l'Institut de design
Loi sur la Société de développement, D 60
Loi sur le Conseil de l'innovation économique et de la technologie
Loi sur le commerce et l'information electroniques (excepté la Partie 5)
Loi sur les gazoducs
Loi sur la répartition du gaz
Loi sur la distribution du gaz dans la conurbation de Winnipeg (S.M. 1988-89, c. 40)
Loi constituant en corporation les fonds de participation des travailleurs du Manitoba
Loi sur la Commission hippique
Loi sur les corporations à capital de risque de travailleurs
Loi sur les mines et les minéraux
Loi sur l'indemnisation consécutive à l'exploration minière ou métallurgique
Loi sur le pétrole et le gaz naturel
Loi de la taxe sur la production de pétrole et de gaz
Loi sur les statistiques
Loi sur la société du commerce et de l'investissement du Manitoba

D'après l'Annexe « L » et « Q » du décret 12/2001

ORGANISATION

L'organigramme qui se trouve à la page i reflète la structure organisationnelle du ministère pendant l'exercice 2001-2002. L'information qui suit porte sur le rôle et les responsabilités du ministère, ainsi que sur la dotation en personnel.

RÔLE ET MISSION

Notre vision est celle d'une province ayant une économie prospère et dynamique qui stimule la croissance économique et la création d'emplois durables et progressifs pour tous les Manitobains. Afin de mettre cette vision en pratique, la ministre et le ministère de l'Industrie, du Commerce et des Mines se sont fixé la mission suivante :

Favoriser la création d'emploi dans le secteur privé en encourageant l'établissement d'un milieu propice au développement durable des entreprises et des ressources minérales du Manitoba.

Pour mener à bien sa mission, le ministère est organisé en quatre divisions :

DIVISION DE L'ADMINISTRATION ET DES FINANCES : offre un appui au bon fonctionnement du cabinet de la ministre et du bureau du sous-ministre; fournit des services centralisés de gestion financière et administrative, de ressources humaines et de soutien informatique au ministère; fournit un soutien stratégique au ministère et à l'ensemble du gouvernement dans les domaines du commerce et du développement économique; coordonne et soutient les initiatives de planification stratégique et commerciale du ministère ainsi que ses initiatives de gestion du savoir; fournit de façon continue des renseignements stratégiques sur les rapports fédéraux-provinciaux et aide les Manitobains à traiter avec les autorités fédérales; coordonne les statistiques dans les secteurs de l'économie et de la main-d'œuvre afin de permettre l'adaptation aux nouvelles directives et aux nouveaux programmes du gouvernement et des sociétés de la Couronne du Manitoba; supervise et réglemente les courses de chevaux et le fonctionnement des pistes de course de chevaux au Manitoba.

DIVISION DES SERVICES D'AIDE À L'ENTREPRISE : offre un soutien financier aux entreprises ou leur facilite l'accès aux capitaux; offre aide et soutien aux projets d'exploration et de développement des ressources minières; aide les entreprises à découvrir les débouchés sur les marchés de l'exportation et à en tirer avantage, et cherche à promouvoir le Manitoba auprès d'investisseurs étrangers pour augmenter les exportations, les investissements et les possibilités d'emploi; coordonne et met en œuvre toute une gamme de services visant à favoriser la croissance de la petite entreprise et du secteur de l'entrepreneuriat en général et aide les groupes et les communautés à se constituer en coopératives; élabore et met en œuvre des stratégies de développement économique à l'échelle du gouvernement qui se rapportent aux ressources hydroélectriques du Manitoba et aux possibilités de développement des énergies de remplacement.

DIVISION DES RESSOURCES MINIÈRES : favorise une gestion rationnelle des terres et un développement économique respectueux de l'environnement en fonction des ressources minières du Manitoba; met en valeur les possibilités d'affaires qui existent dans le domaine du développement économique des ressources minières par le biais d'activités promotionnelles et de commercialisation; fournit de la documentation faisant autorité sur les richesses minières de la province et sur les possibilités de développement de celles-ci; veille à la mise en œuvre des programmes de soutien à l'industrie minière; administre des lois régissant la disposition des droits miniers, l'exploration, le développement et la production des ressources minières de la province, ainsi que la restauration des mines et des carrières; administre des lois régissant l'exploration, le développement et la production des ressources pétrolières, ainsi que la restauration des installations pétrolières abandonnées; fait des inspections d'hygiène et de sécurité dans les installations pétrolières de la province, conformément aux dispositions de la *Loi sur la sécurité et l'hygiène du travail.*

COMITÉ CHARGÉ DU DÉVELOPPEMENT COMMUNAUTAIRE ET ÉCONOMIQUE :fournit un service d'analyse et de soutien administratif au Comité du Cabinet chargé du développement communautaire et économique; coordonne toutes les principales initiatives du gouvernement ayant trait au développement communautaire et économique dans les provinces; prête ses conseils et son appui au développement permanent de la stratégie économique du Manitoba, notamment en établissant les priorités, en sollicitant l'opinion de la collectivité et en aidant à la formulation de la politique et des recommandations.

RECHERCHE, INNOVATION ET TECHNOLOGIE MANITOBA : assure l'élaboration, l'analyse et la communication des politiques liées à l'innovation, à la recherche et au développement, à la technologie et aux télécommunications; chapeaute le Projet de recherche en santé, le Fonds pour les centres d'excellence du Manitoba, le Fonds de l'innovation économique et de la technologie et le Fonds des innovations du Manitoba; encadre l'industrie dans les secteurs de la technologie et de l'infrastructure afin de soutenir la croissance économique et de stimuler l'emploi; coordonne tous les projets gouvernementaux touchant la recherche, l'innovation, la science et la technologie; favorise la recherche en santé dans les principaux établissements de recherche du Manitoba et aide à consacrer la contribution des donateurs à la recherche en payant les coûts indirects qui reviennent à ces établissements; finance les projets de recherche et de développement basés au Manitoba dans le cadre des projets liés aux Centres d'excellence; facilite la croissance et la transformation des centres d'appel dues au commerce en ligne en répondant aux besoins en infrastructure, en immobilisation et en ressources humaines; facilite le développement économique du Manitoba en fournissant des services de technologie industrielle.

ADMINISTRATION AND FINANCE

MINISTER'S SALARY AND EXECUTIVE SUPPORT

The Administration and Finance Division comprises the Executive Support Offices, Financial and Administrative Services, Policy, Planning and Coordination, Manitoba Office in Ottawa, Manitoba Bureau of Statistics, and the Manitoba Horse Racing Commission.

EXECUTIVE SUPPORT

Executive Support includes the Offices of the Minister and Deputy Minister. The Minister provides leadership and direction to ensure the goals and objectives of the department are accomplished. The Office of the Deputy Minister provides the Minister with advice and information regarding issues and matters of concern to the department. Executive Support is responsible for providing the department with policy direction and the overall planning and co-ordination of departmental activities.

10-1(a) Minister's Salary

Expenditures by Sub-Appropriation	Actual 2001/02 $	Estimate 2001/02 FTE	Estimate 2001/02 $	Variance Over (Under)	Expl. No.
Minister's Salary	28.0	1.00	28.1	(0.1)	
Total Expenditures	**28.0**	**1.00**	**28.1**	(0.1)	

10-1(b) Executive Support

Expenditures by Sub-Appropriation	Actual 2001/02 $	Estimate 2001/02 FTE	Estimate 2001/02 $	Variance Over (Under)	Expl. No.
Total Salaries & Employee Benefits	409.5	8.00	407.3	2.2	
Total Other Expenditures	83.2		85.0	(1.8)	
Total Expenditures	**492.7**	**8.00**	**492.3**	**0.4**	

FINANCIAL AND ADMINISTRATIVE SERVICES

OBJECTIVES

The objectives of the Finance and Administration Branch is: to provide leadership, program direction, and operational co-ordination to support department activities. The Branch is customer responsive by providing high quality and timely services such as policy development, administrative and financial management, computer, and personnel services to the Department and its related Agencies through a centralized support service.

ACTIVITIES/RESULTS

The Branch processes payments and receipts; provides computer business application development and support services; recruits, deploys, trains and pays staff; administers and coordinates the Department's parking and pool vehicle programs; provides for physical accommodations including furniture and equipment and mail distribution; provides advisory and specialized accounting and financial management services to departmental personnel and related entities; coordinate French language services; supervises the Freedom of Information and Protection of Privacy Act; manages the Department's records management program and provides timely, accurate and relevant information to departmental and central agency decision-makers including budgetary and cash flow information to Treasury Board.

The Financial Services section processed approximately 28,577 payment/revenue transactions, 163 authority-seeking documents, and 21 Freedom of Information requests. In addition, the section prepared the Detailed Estimates, coordinated the preparation of the Estimates Supplement, the Annual Report and all other year-end financial reports.

The Human Resource Services section provides staffing, employment equity, job analysis and classification, employee counselling, labour relations, and pay and benefits administration. The shared resources of the unit also provide staff and organizational development, occupational health and safety, and employment equity program development.

Human Resource staff that support Industry, Trade & Mines Programs are part of the consolidated unit that not only services Industry, Trade & Mines, but in addition, the Office of the Auditor General, the Departments of Finance, and Government Services.

Human Resource activities are carried out in accordance with The Civil Service Act, the Manitoba Government Employee Union Master Agreement, Manitoba labour laws, and Workplace Health and Safety legislation.

Specific activities of Human Resource Services during 2001-2002 included:

Employment Equity Statistics as at Fiscal Year End

	1998-99 Actual (%)	1999-2000 Actual (%)	2000-2001 Actual (%)	2001-2002 Actual %
Aboriginal	1.7	1.8	3.3	4.4
Women	50.3	47.0	47.7	47.1
Disabled	1.2	1.2	2.5	2.9
Visible Minority	2.9	2.4	2.9	2.9

- The branch continues to co-ordinate the implementation of government-wide policies and initiatives.
- Maintained payroll records for 277 employees.
- Provided counselling and information on retirement, death benefits, long term disability and lay-off to 30 employee/family members.
- Eighteen permanent and three temporary position vacancies were filled through formal competition process. Six positions were filled through various direct appointments.
- Consulted with departmental management/supervisory personnel, employees and the M.G.E.U. in the resolution of numerous labour relations issues, which included the filing of one formal grievance.
- Assisted three staff impacted by workforce adjustment to find alternative permanent employment. Branch staff work as case managers to provide skills assessment, recommendations for training, resume writing assistance, referral to re-employment opportunities, retirement information and feedback on interviews.
- Continued to hire a number of individuals from the Outreach/Inventory list. The list is established to provide opportunities to qualified candidates on a casual and/or term basis. Departments of Government Services and Industry, Trade & Mines participated in the Aboriginal Management Project with the Civil Service Commission.
- Prepared detailed classification analysis on 47 reclassification requests under delegated and non-delegated authority.
- ITM staff participated in 8.5 days of seminar sessions ranging over 6 topics focussing mainly on leadership and interpersonal development. Organizationally the department has begun to explore the area of employee development in a structured manner through competencies and a performance management program.
- Formulated Workers Compensation statistics for distribution to various Branches within the Department in which five accident/injury claims were reported; four of which accounted for no lost time and one accounted for 11 lost days.
- Attendance management, workstation assessments and the Return to Work and Workers Compensation claims management programs have resulted in reducing the Department's overall claim costs.
- Baseline and periodic audiograms are conducted as part of the Department's Hearing Conservation Program.

The Computer Services section provides the department with Information Technology support services including: computer systems design and implementation; equipment evaluation and acquisition (outside Desktop Initiative); user education and assistance (outside the standard suite); and, implementation of government wide initiatives from the OIT office and adherence to guidelines and standards set.

Additional activities undertaken by the Section during the year included:
Mineral Resources Division:

- Executed all purchases of hardware and software approved in the 2001/02 Annual Information Technology Systems Plan and, prepared a new Systems Plan for 2002/03.
- Participation in the "Manitoba Land Initiative Committee"
- Facilitated DeskTop requests from users
- Developed and implemented an Internet Registration System for the Energy and Mines Minister's Conference.
- Participated in the setup of Oracle iStore/ iPayment system with ManWeb.
- Purchased and implemented an Internet Library System.

- Developed a Manitoba Reservoir Studies and Pool Data System for dissemination of technical information on the Internet.
- Developed e-business strategy for successful future implementation of e-services to our customers

Industry and Trade Divisions

- **Portal Builder -** Developed an application that constructs Web Portals by integrating and connecting existing databases within a standard web framework. The portal provides: an online registration feature, client customization, subscription services, a search capability and email notification of items of interest. The application dynamically generates the web source code and extracts the data from backend databases. To create the portal, the user defines a set of menus describing the portal and the attached databases. Theportal builder was then used to develop three portal prototypes for (1) the Business Community (2) web e-workflow and (3) the department's IntraNet site. Computer Services is continuing to refine and incorporate more databases and functionality within these three portals in FY 2002/03.

- **Connecting Web Servers** - Developed and demonstrated new functionality to connect to an external web server, invoke a program and return results to the initiating server using SOAP and XML. An application was developed to connect to an external e-payment server outside the government environment but was not implemented and is waiting for the implementation of a corporate server accessible to departments.

- **Corporate Billing Enhancement** - Working with Desktop Telecommunications & Network Services and EDS upgraded the desktop billing application to produce one bill incorporating both Desktop and PDN charges. The application consolidated similar processes resulting in significant savings across government. The application was adopted corporately and delivered to all departments in Mar-2002.

- **Expanded Content** - Expanded database content to include an additional 5000 mining contacts, 1000 educational contacts, 300 financial contacts and 3000 Call Centre contacts into the departmental company/contact database.

New applications implemented in FY 2001/02 were:

- **COMEBACK:** Automation of the processes related to subscription and renewals of magazine to encourage ex-Manitobans to return to Manitoba

- **Provincial Nominee Program**: Automation of the processes related to application intake, approval processing, and post arrival reporting for this new initiative to encourage business investment and immigration to MB.

- **Desktop Analysis Tools**; A set of tools and applications used to analyze workgroup permissions, software usage and desktop computer usage.

- **MIQs v3.0:** application enhancements to handle renewal of quarry leases and quarry permits.

Infrastructure:

- Ram upgrades to workstations to extend life expectancy 2 years.
- Upgrade of Fax gateway to handle 2400 faxes from backend databases.

- Replacement of an obsolete database server.

10-1(c) Financial and Administrative Services

Expenditures by Sub-Appropriation	Actual 2001/02 $	Estimate 2001/02 FTE	Estimate 2001/02 $	Variance Over (Under)	Expl. No.
Total Salaries & Employee Benefits	983.5	19.00	1,059.9	(76.4)	
Total Other Expenditures	291.3		365.4	(74.1)	
Total Computer Services	109.9		110.0	(0.1)	
Total Expenditures	**1,384.7**	**19.00**	**1,535.3**	**(150.6)**	

POLICY, PLANNING AND COORDINATION

OBJECTIVES

The objective of the Policy, Planning and Coordination Branch is to provide analytical, advisory and research support services in the areas of trade policy, economic development policy, critical economic development issues and departmental planning to the Department, Minister and other provincial departments and agencies participating in economic development activities. This includes undertaking analysis of policy issues, providing information documents for government, and working closely with other partners to promote advantageous economic development in Manitoba.

ACTIVITIES/RESULTS

The Policy, Planning and Coordination Branch manages the ongoing implementation of the Agreement on Internal Trade within Manitoba. Efforts in this area include: supporting the Minister's participation as a member of the Ministerial Committee on Internal Trade; serving as Manitoba's Internal Trade Representative; co-ordinating the government-wide participation in the Agreement; and monitoring disputes arising under the Agreement.

The Branch acts as lead agent in governmental and intergovernmental matters related to international trade policy. The Branch develops provincial policy with regard to existing international trade agreements such as the North American Free Trade Agreement (NAFTA) and the World Trade Organization (WTO). The Branch also works to ensure that Manitoba priorities and concerns are appropriately reflected in new trade negotiations (e.g. Free Trade Area of the Americas (FTAA) and the General Agreement on Trade and Services (GATS). Policy advice continues to be provided for trade issues and disputes in such areas as US trade remedy actions on steel and softwood lumber, US and New Zealand challenge of Canadian dairy export practices, and the issue of bulk water exports. The Branch provides support to the Minister and Deputy Minister for Conferences, including meetings of Ministers responsible for International Trade and Deputies of International Trade.

Planning support is provided to the Department and to individual branches, including assistance in the development of the departmental business planning process and the compilation of departmental submissions for Ministerial briefing books. The Branch chairs the Inter-Departmental Business Planning Co-ordinators Council to assist the development of government-wide business planning.

The Branch continues to monitor Manitoba's trade performance and provided database support to the Department through the monitoring of positive economic developments and the surveying of the capabilities of Manitoba manufacturers. The Branch ensures that a comprehensive directory of manufacturing capabilities is available by completing an annual survey of over 3,000 firms. The Branch administers a database of positive economic news. Access to these databases is available on the Internet at **www.gov.mb.ca/itt**. The Branch also offers increased database support through the creation of various new databases (including a business opportunities database and a joint database/web project with Manitoba Business Magazine. The Branch assists Information Systems staff with the creation of technology solutions to share data with federal agencies. The Branch establishes follow-up surveys for the collection of specific, issue-based information.

The Branch represents the Government of Manitoba on the Provincial-Territorial Advisory Committee and the Trade Advisory Committee of the Standards Council of Canada. This function involves interdepartmental co-ordination to represent Manitoba's views on standards-related issues before the Council.

Economic analysis, policy advice, interagency liaison, and selected other services are also provided to the Department by the Branch.

10-1(d) Policy, Planning and Coordination

Expenditures by Sub-Appropriation	Actual 2001/02 $	Estimate 2001/02 FTE	Estimate 2001/02 $	Variance Over (Under)	Expl. No.
Total Salaries & Employee Benefits	445.4	7.00	457.2	(11.8)	
Total Other Expenditures	149.8		165.6	(15.8)	
Total Expenditures	**595.2**	**7.00**	**622.8**	**(27.6)**	

MANITOBA OFFICE IN OTTAWA

OBJECTIVES

The overall objective of the Ottawa Office is to assist the Manitoba government and its agencies, Manitoba firms, communities, organizations and individuals in dealing with the federal authorities and in developing business. Critical activities in providing such assistance include the gathering and dissemination of information; representation of Manitoba's interests, and monitoring of federal actions and intentions on a range of issues including procurement.

Manitoba continues to be particularly susceptible to changes in federal transfers to the Provinces, which account for almost 35% of Manitoba's yearly revenues. Transfers to individuals add to the importance of the federal government to Manitoba. Public Works and Government Services Canada bought approximately $8 billion during 2001 in Canada, which represented 65% of total departmental purchases. The Department of National Defence's capital and acquisition spending is approximately $5 billion each year. The federal government is the second largest employer in Manitoba after the provincial government. The presence of numerous other provincial/territorial offices in Ottawa demonstrates that we are not alone in the belief that representation in Ottawa is important in furthering provincial interests. In fact, the Manitoba Office, established in January, 1990, is among the more recent additions to the Ottawa scene. Since then, Newfoundland has opened a business development office, andNunavut has established a presence in Ottawa.

ACTIVITIES/RESULTS

Information Gathering/Dissemination: The Office maintains regular contact with a network of Ottawa-based bureaucrats, lobbyists, political staff and business people in an effort to keep abreast of any developments emanating from Ottawa which effect or potentially effect, interests in Manitoba. Examples of results from this activity include provision of a Media Review, Federal/Provincial Balance Sheets, analysis of Estimates of key federal departments and monitoring legislation and reporting on hearings of parliamentary committees.

Representation/Lobbying: The Office acts as Manitoba's continuing representative in Ottawa and our presence is felt at all levels of the federal government. It provides logistical arrangements for Manitoba lobby efforts and trade missions. Manitoba Office staff also provide a useful and money saving function by attending, on behalf of Manitoba government departments, various federal/provincial meetings where the agenda or duration does not justify specialists travelling from Manitoba, but where Manitoba's continued involvement is considered necessary. During fiscal year 2001/02, the Office attended over 20 such meetings.

Procurement: While the procurement function involves some lobbying, the primary focus is on monitoring the progress and potential of specific purchases by the federal government. Activities include contact and liaison with federal officials, potential prime contractors, first tier subcontractors, Ottawa-based lobbyists, and most importantly, Manitoba industry. The capabilities of Manitoba suppliers are communicated to all parties involved in the procurement and the general direction for the contract is ascertained and communicated to relevant companies and appropriate Manitoba government officials. Specific complaints are also handled and in some cases resolved to the satisfaction of the Manitoba company. Even when not fully successful, such problems are less likely to re-occur after such consultation or intervention.

10-1(e) Manitoba Office in Ottawa

Expenditures by Sub-Appropriation	Actual 2001/02 $	Estimate 2001/02 FTE	Estimate 2001/02 $	Variance Over (Under)	Expl. No.
Total Salaries & Employee Benefits	104.6	2.00	119.4	(14.8)	
Total Other Expenditures	81.2		116.4	(35.2)	
Total Expenditures	**185.8**	**2.00**	**235.8**	**(50.0)**	

MANITOBA BUREAU OF STATISTICS

OBJECTIVES

The primary role of the Manitoba Bureau of Statistics (MBS) is to serve the informational requirements of the Manitoba Government, its departments and crown agencies. Specific objectives are:

- to actively participate in and coordinate the development of the Manitoba statistical system in terms of information needs, collection, dissemination, analysis and presentation; and
- to adapt the Manitoba statistical system to address changing policy and program requirements and emerging issues.

In order to further its objective, MBS functions as the focal point for interface between the Province and Statistics Canada.

As the provincial central statistical agency, MBS has the following characteristics:

*Impartiality *Selective Specialization *Surveys *Coordination *Legislative Mandate

ACTIVITIES/RESULTS

The MBS strategic thrust is the provision of comprehensive information services to the Manitoba government, its agencies, the business community, and the general public. This strategy is carried out through four major areas of activity:

- responding to requests for MBS developed information; and liaison/coordination with Statistics Canada, provincial user departments/crown agencies, and with other provincial statistical agencies;
- providing common information services in order to avoid duplication of effort and costs in the areas of information collection, analysis and dissemination; and provision of relevant information to senior and executive levels of government;
- undertaking information development, survey consulting/design, statistical consulting, economic impact assessments, information processing, electronic information dissemination systems development, and adequacy of surveys; and
- administrating the Bureau of Statistics and The Statistics Act (Chapter S205).

MBS is a service-driven agency. Selected activities and achievements are as follows:

Economic Accounts – MBS maintained an economic accounts framework for the Manitoba economy. These quarterly/annual accounts measured the overall performance of the provincial economy, with additional detail about principal industries and sectors. Information from the Economic Accounts is used throughout the public and private sectors in Manitoba. Preliminary economic growth estimates for 2001 were released in February 2002.

Manitoba Population Estimates – Continued liaison with Statistics Canada regarding the determination of the appropriate statistical methodology to be used to determine provincial population estimates. These population estimates are of critical importance as theyare used to determine Manitoba transfer payments. For the 2001 Census of Population and Housing, MBS co-ordinated a "Manitoba Wins When You Count Yourself In" media campaign to make all Manitobans aware of the importance of completing the Census form.

National Climate Change Implementation Process - MBS has continued to be Manitoba's representative on the Analysis and Modelling Group (AMG), serving as provincial and territorial co-chair. The AMG, comprised of federal, provincial and territorial representatives, was charged with the responsibility of determining the economic impacts on the Canadian economy of Canada implementing the Kyoto Protocol (i.e., to reduce Greenhouse gas emissions by 6% in 2008-2012 from the 1990 levels. The AMG is preparing an economic impact assessment of various policy approaches to Canada ratifying the Kyoto Protocol. This assessment will be provided to the May 2002 meeting of the Joint Ministers of Energy and Environment.

Statistical Information Product Subscriptions – Departmental subscriptions to the full MBS subscription service totalled 10 (4 Manitoba government, 2 municipal government, 1 federal government and 3 business). In addition, the Legislative Library received six complete sets of MBS information products free of charge.

Key Economic Indicator Reports – These reports encompass indicators such as the Labour Force, Consumer Price Index, Population, and Investment. Relevant informationis presented in both table and chart formats, and distributed on the day of release to selected Ministers and senior government officials. In addition, the "Quarterly Economic Summary", highlighting recent provincial economic developments, continued to be produced.

Statistical, Economic and Computer Consulting – Statistical, economic, computer and survey consulting services were provided to departments and crown agencies on both a "public good" basis and a cost-recovery basis (larger consulting projects). Major consulting activities have included economic impact assessment of various provincial economic initiatives for provincial departments.

Contract Surveys and Information Development – MBS designed and implemented surveys/information development projects for individual departments and crown agencies on a cost-recovery basis. Projects have included: Industry, Trade and Mines - Trade Statistics Database; Manitoba Hydro – Food Prices Monitoring Survey.

Information Dissemination System - MBS has continued to enhance its desktop accessible information systems (e.g., Brief, Infonet, Online and Trade). An enhanced Infonet system is being developed. It will contain: (i) all MBS reports, (ii) downloadable Excel™ spreadsheets, (iii) additional social data in the area of health, education, justice and social services, and (iv) a separate retrieval system for commodity detail on exports and imports.

Interdepartmental Liaison – MBS assisted individual provincial departments and crown agencies with their statistical activities and problems with the objective of avoiding duplication of effort and costs.

Federal-Provincial Liaison - Represented Manitoba's views on statistical matters to Statistics Canada including possible new methodologies to determine Manitoba's population. This activity had a significant impact on the level of federal transfer payments that Manitoba receives. MBS promoted the 2001 Census via the "Manitoba Wins When You Count Yourself In" campaign. The importance of each Manitoban completing their Census form was stressed, with the potential loss in transfer payments identified for each non-response.

Information Requests – MBS responded to enquiries for information from MBS developed databases (Economic Accounts, Investment Statistics, Trade Statistics, Business Register, Vital Statistics, Postal Code Translator File). As well, MBS responded to requests for non-MBS developed data. These information requests ranged from those requiring a single quick response to those that required the development of custom computer-generated reports.

10-1(f) Manitoba Bureau of Statistics

Expenditures by Sub-Appropriation	Actual 2001/02 $	Estimate 2001/02 FTE	Estimate 2001/02 $	Variance Over (Under)	Expl. No.
Total Salaries & Employee Benefits	670.7	14.00	758.8	(88.1)	
Total Other Expenditures	230.9		231.9	(1.0)	
Less: Recoverable from Other Appropriations	(83.6)		(60.0)	(23.6)	
Total Expenditures	**818.0**	**14.00**	**930.7**	**(112.7)**	

GRANT ASSISTANCE - MANITOBA HORSE RACING COMMISSION

OBJECTIVES

The objectives of the annual grant to the Manitoba Horse Racing Commission are to enable it to control, supervise and regulate the conduct of horse races and the operation of race tracks, and to support the development of a competitive horse racing and breeding industry in Manitoba.

ACTIVITIES/RESULTS

The Commission controlled, supervised and regulated a thoroughbred racemeet at Assiniboia Downs; a program of standardbred racing on the Great Western Harness Racing Circuit in rural Manitoba; a Quarterhorse racemeet at Rossburn; and teletheatre facilities in Manitoba. The Commission also supervised a program of simulcast wagering.

The Manitoba Horse Racing Commission tables its annual report under separate cover with the Manitoba Legislature.

10-1(g) Manitoba Horse Racing Commission

Expenditures by Sub-Appropriation	Actual 2001/02 $	Estimate 2001/02 FTE	Estimate 2001/02 $	Variance Over (Under)	Expl. No.
Total Other Expenditures	0.1		7.0	(6.9)	
Total Grant/Transfer Payments	0.0		157.5	(157.5)	1
Total Expenditures	**0.1**		**164.5**	(164.4)	

Explanation Number:

1. The Commission utilized an operating surplus from the 2000/01 fiscal year and, therefore, did not require the operating grant in the 2001/02 fiscal year.

BUSINESS SERVICES

INDUSTRY DEVELOPMENT - FINANCIAL SERVICES

OBJECTIVES

The objective of Financial Services is to encourage and facilitate entrepreneurial and employment opportunities within the Province through the establishment of new businesses or the expansion/retention of existing Manitoba businesses. The branch assists the private sector in supplying risk capital to Manitoba's small and medium sized businesses. It does this by partnering with the private sector to create new sources of risk capital, by hosting entrepreneurial expositions and seminars to raise the awareness of local investment opportunities and by supporting legislative, regulatory and policy changes which promote and facilitate the availability of risk capital. The branch also provides loans and cost-shared assistance to augment private sector financing. Professional services support, including financial advisory, business planning, budgeting and accounting services are provided to the branch, the Department of Industry, Trade and Mines and other departments and agencies of Government. The branch is also responsible for the operations of the Manitoba Development Corporation, which manages and monitors the loans and investments entrusted to the branch.

ACTIVITIES/RESULTS

THIRD PARTY DELIVERED PROGRAMS

The Third Party Delivered Programs assist the private sector in delivering risk capital to businesses. This is done by co-investing with the private sector, providing incentives to individual investors and hosting investment forums:

CO-INVESTING WITH THE PRIVATE SECTOR - The Department co-invests with the private sector to form pools of investment capital. Currently, the Department manages the government's investments in five pools of private risk capital - Vision Capital Fund, Manitoba Capital Fund, Renaissance Ventures Capital Fund, Manitoba Science and Technology Fund and Western Life Sciences Fund. The pools range in size from $4.0 million to $45.0 million. They are profit seeking and are privately managed. They supply risk capital financing to Manitoba-based small and medium sized enterprises ("SMEs"). Financing are in amounts ranging from $50,000 to $10.0 million.

- **Vision Capital Fund** since 1990 invested a total of $38.0 million in 28 companies and is now winding down.
- **Manitoba Capital Fund** since 1996 invested a total of $22.0 million in 20 companies and is now winding down.

In 2001/02:

- **Renaissance Ventures Capital Fund** has invested $8.4 million in 11 companies.
- **Manitoba Science and Technology Fund** has invested $5.0 million in 11 companies.
- **Western Life Sciences Fund** has invested $2.0 million in four companies.

PROVIDING INCENTIVES TO INDIVIDUAL INVESTORS - The Government issues tax credits to encourage individuals to invest in Manitoba. Currently, the Department is sponsoring two such programs - the Labour-Sponsored Investment Fund (LSIF) program and the Manitoba Equity Tax Credit (METC) program. There are two Manitoba-based LSIFs - the Crocus Investment Fund and the Ensis Growth Fund Inc. Under the LSIF program, individuals receive tax credits for placing funds in a Manitoba-based LSIF. The LSIFs are profit seeking and are privately managed. They supply risk capital financing to Manitoba-based SMEs. The financings they supply are in amounts ranging from $300,000 to $10.0 million.

Under the METC program, individuals receive tax credits for purchasing qualified publicly traded shares of Manitoba-based companies.

In 2001/02:

- **Crocus Investment Fund** had invested over $119.0 million in over 60 companies.
- **Ensis Growth Fund Inc**. invested $16.6 million in 17 companies.
- **The Manitoba Equity Tax Credit** - Since its inception in 1999 the program has sponsored three companies' new share issues totalling $6.6 million.

HOSTING EXPOSITIONS AND SEMINARS - The Department partners with the private sector to host entrepreneurial expositions and educational seminars.

PROVINCIALLY-DELIVERED PROGRAMS

The Branch delivers two major programs: The Manitoba Industrial Opportunities Program and The Manitoba Business Development Fund and operates the Manitoba Development Corporation:

MANITOBA INDUSTRIAL OPPORTUNITIES PROGRAM (MIOP) -MIOP was instituted in 1988 to facilitate significant business investment in Manitoba which otherwise would not occur. It provides highly flexible financial support to encourage the expansion of existing Manitoba industry or to encourage companies to relocate in, or to Manitoba. The program utilizes a repayable secured loan form of financial assistance, which may include some conditional forgiveness in return for commitments to provide various economic benefits including job creation and capital expenditures. MIOP projects provide a significant positive ratio of direct provincial benefits to direct provincial cost. Since the inception of MIOP in 1988, fundingtotaling $191.4 million has been offered to business to assist in 106 expansion or relocation projects which levered investment of $728.0 million and is anticipated to create about 11,257 new jobs for Manitobans. In most cases these projects have resulted in other spin-off forms of economic activity, such as construction and construction jobs; purchases of Manitoba goods and services; increased exports; import replacement, etc. In 2001/02, the Department negotiated 10 MIOP agreements totaling $42.6 million in assistance. It is projected that these agreements will result in $172.5 million in new capital investment.

MANITOBA BUSINESS DEVELOPMENT FUND (MBDF) - This fund, via its component programs, supports economic development activities by Manitoba businesses. The fund provides financial assistance for cost-shared/full-cost strategic or feasibility studies for equipment selection, marketing, viability, and industry and design studies conducted by independent consultants. The fund also provides financial assistance to Manitoba businesses to enhance their technology capabilities; encourage import replacement; and commercialize products, which incorporate new ideas and technology. In 2001/02, the Manitoba Business Development Fund provided financial assistance to a total of 43 projects.

MANITOBA DEVELOPMENT CORPORATION - Via the Manitoba Development Corporation, the Branch manages, administers and accounts for a portfolio of provincial loans and investments. At March 31, 2002, the Corporation had roughly $92.0 million in loans and investments under administration.

10-2(a) Industry Development - Financial Services

Expenditures by Sub-Appropriation	Actual 2001/02 $	Estimate 2001/02 FTE	Estimate 2001/02 $	Variance Over (Under)	Expl. No.
Total Salaries & Employee Benefits	724.0	12.00	777.5	(53.5)	
Total Other Expenditures	286.4		294.0	(7.6)	
Program Delivery:					
- Manitoba Industrial Opportunities Program	6,434.8		6,581.0	(146.2)	
- Vision Capital Fund	(3,902.4)		1,810.2	(5,712.6)	1
- Manitoba Business Development Fund	1,180.3		1,563.1	(382.8)	2
- Third Party Support Programs	1,535.0		1,743.9	(208.9)	3
- Less: Interest Recovery	(1,433.4)		(2,058.7)	625.3	4
Mineral Industry Support Programs*					
- Mineral Exploration Assistance Program	2,699.6		2,750.0	(50.4)	
- Manitoba Potash Project	164.8		248.3	(83.5)	5
- Acid Rain Abatement Program – Flin Flon	285.3		285.9	(0.6)	
- Prospectors Assistance Program	90.6		125.0	(34.4)	
Total Expenditures	**8,065.0**	**12.00**	**14,120.2**	**(6,055.2)**	

* Mineral Industry Support Programs are delivered and illustrated under the Mineral Resource Division

Explanation Number:

1. Expenditures related to bad debt and interest expense were under budget due to larger than anticipated loan repayments.
2. Grant expenditures were under budget.
3. Expenditures related to bad debt and interest expense were under budget due to delayed disbursement.
4. Interest recoveries were under budget due to delayed loan disbursements and default on one loan.
5. Interest costs and general operating costs were lower than anticipated.

MANITOBA TRADE AND INVESTMENT MARKETING

MANITOBA
TRADE AND
INVESTMENT

OBJECTIVES

Manitoba Trade and Investment Marketing (MTIM) helps build the Manitoba economy through increased exports and industry investment, focusing on industry development, export and investment marketing opportunities. It supports this mission through the following goals:

- economic growth of the manufacturing, processing and services sectors
- increased exports, with a targeted focus on small to medium-sized businesses
- increased inward investment
- competitive marketing information
- business retention and expansion

ACTIVITIES/RESULTS

Canada-Manitoba Memorandum of Understanding

Economic development is truly a cooperative effort, and MTIM encourages and facilitates cooperation with other provincial, federal, and civic economic development agencies. A key example is the high level of cooperation between the Province and the federal government arising from a Memorandum of Understanding, renewed in April 2000, to promote international business development.

Business Investment

The Business Investment Branch encompasses three areas of activity—general promotion, business recruitment, and entrepreneur recruitment (through the Provincial Nominee Program for Business). These activities are designed to attract business and businesspersons to Manitoba through greenfield investments, joint ventures, strategic alliances, plant expansions, and business succession.

The Branch responds to investment opportunities received from a number of sources—its web site, Canadian embassies and consulates, local business people, and other provincial and federal departments. Depending on the nature of the proposal, a response and assistance are coordinated with the department, other agencies, and the private sector. Inquiries encompass businesses in manufacturing, call centres, agricultural enterprises, property development, entertainment, and retail.

MTIM is the prime contact for investment activities with various federal government departments, including Investment Partnerships Canada, the Department of Foreign Affairs & International Trade (DFAIT), Industry Canada, and Western Economic Diversification. MTIM also participates in a number of joint activities with the federal government, including web site development, investment missions, development of the KPMG Study on Competitive Alternatives (and its accompanying model), and meetings with Trade Commissioners around the world.

In addition, MTIM is a member of Corenet Global (formerly the International Development Research Council), an association of site selectors; corporate real estate executives, many of whom are from Fortune 1000 companies in the U.S. and Canada; and economic development agencies.

Provincial Nominee Program for Business – Since the launch of the program in October 2000, more than 200 applications have been received, significantly higher than expected. In 2001/02, 84 were approved, with the average planned investment worth nearly $300,000 per approved immigrant. Prior to the launch of the program, Manitoba received 10 to 15 business immigrants per year, each with an average investment of $100,000.

Approved applicants began receiving their Landed Immigrant status in January 2002, with the first ones arriving in Manitoba in February 2002.

In fiscal 2001/02, the Branch organized missions to targeted locations:

- Mexico, October 2001, resulting in several business leads. Staff met with, or presented information sessions to, approximately 60 potential clients, as well as meeting with Canadian Embassy staff and various business and educational organizations.
- Korea, November 2001, a very successful mission with six seminars held for over 200 potential applicants. Applications from Korea are expected to reach 150 this year, many of which arose from this mission. The mission also provided an opportunity to build on Manitoba's relationship with the Canadian Embassy in Seoul, which has been actively involved in the Program.
- Hong Kong, November/December 2001, primarily a fact-finding mission to explore ways to attract and process clients from China. Extensive meetings were held with the Canadian Embassy. Over 30 applications have been received from China to date, and China offers great potential for entrepreneurial immigration to Manitoba.

Industry Consulting - Industry consultants provide sector knowledge to businesses (manufacturing, processing, and services sectors) in the areas of marketing, technology, business development, and management. Existing infrastructure advantages are used to maximize economic development opportunities and encourage the commercialization and adoption of new technologies, and strategic alliances that further strengthen and diversify Manitoba's industrial capabilities.

Sector Development - Sector development activities provide an ongoing analysis of each of Manitoba's major industrial sectors (aerospace, equipment manufacturing, food processing, and wood products). Strengths, weaknesses, emerging trends, threats, and opportunities are considered, developing sector profiles, competitive comparisons with other major jurisdictions, and a strategic plan for the future development of the particular sector in Manitoba.

Project Development - Project development activities within the branch are wide-ranging and include a variety of projects from those initiated by sector planning activities to those responding to specific requests from established companies. The objective of all project development activities is to create and maintain jobs and investment in Manitoba.

Highlights of 2001/02 - In the past year, Industry Consulting was involved in sector development and project activities that resulted in new investment, job creation, and the introduction of new technologies. The creation of new companies such as Acetek Composites Inc. and Canada West Foods has brought new technologies into Manitoba's aerospace and food processing sectors. Established companies such as New Flyer Industries and Standard Aero were assisted in major projects designed to strengthen them as world-class competitors in their fields.

The Branch participated in a detailed study of opportunities for further value-added economic development in the forest products sector. A range of manufacturing companies was assisted with the development and commercialization of new and innovative products.

During the past year, as part of assisting with major structural changes in the bus manufacturing sector, plans were put in place to provide ongoing support for the introduction of new technologies and the consolidation and strengthening of this important part of Manitoba's transportation equipment sector.

International Business Development and Services

International Business Development provides a variety of services, summarized in the chart below.

Services

General Information	***Skills Development***	***Export Counselling***	***Trade Financing***	***Market Entry Support***	***In-Market Assistance***
Toll-free export information service	Export preparation guide	Export-readiness assessment	International Financial Institutions	Market information and informational sessions	Market prospects
MTIM Web site	Export skills training	Market readiness assessment	Trade show support (TAP)	Trade fairs/shows	Key contacts search
MTIM newsletter	Preparation for U.S. market	Export plan development		Trade missions	Visit information
General seminars	Preparation for other markets	Export plan implementation		Partner identification	Direct contacts
				Market intelligence	Local company information
				Advocacy	Troubleshooting
				Reverse trade shows, incoming missions	Government and business liaison

Foreign Trade Representatives - In 2001/02, five foreign trade representatives (two in Europe and one in Mexico, Chile, and China) worked on behalf of the Province to provide onsite regional support and contacts for Manitoba businesses.

Top 10 Markets in 2001 for Manitoba Exports by Country Grouping:

Country Grouping	Exports ($ millions)
European Union	$ 352.4
Latin America	$ 144.0
Middle East/Africa	$ 187.7
NAFTA	$7,646.5
Pacific Rim	$ 957.5

Source: Manitoba Bureau of Statistics, March 2002

International Projects -International Projects is a new initiative of MTIM, begun in June 2001. Its focus is to increase the number and value of contracts secured by Manitoba companies and organizations for international development projects that are financed by the Canadian International Development Agency (CIDA) and International Financial Institutions (IFIs). IFIs include the World Bank, Inter-American Development Bank, Asian Development Bank, European Bank for Reconstruction and Development, Caribbean Development Bank, and African Development Bank.

In November 2001, CIDA and the Canadian Manufacturers & Exporters hosted the International Development Conference in Winnipeg, bringing speakers from various IFIs to the city and highlighting the expertise and capabilities that Manitoba offers. MTIM took an active role in the conference by participating in the Organizing Committee, sponsoring the conference at its highest level, and presenting at a workshop. The conference raised the awareness of CIDA and IFI opportunities among Manitoba companies.

A number of projects have been developed and are being pursued with IFIs, in sectors such as energy services, agricultural equipment and services, eco-tourism, forestry management, construction, and information technology.

Exporter Development – International Trade Development concentrates on new exporter development and trade promotion (1) to increase the number of Manitoba companies that are active exporters and (2) to increase their market diversification.

The Exporter Development program includes a variety of activities and services that assist Manitoba's small and medium-sized businesses in their international marketing activities. In 2001/02, the program helped:

- over 200 companies to become new or diversified exporters
- 83 companies to participate in trade shows through the Trade Assistance Program
- 7 companies to identify export financing sources through IFIs

Priority sectors included food and beverage processing, apparel, building products, original equipment manufacturers and sub-components/agricultural equipment, and exportable services.

U.S. and Trade Operations – The U.S. continued to be Manitoba's largest export market for goods and services, representing 80% of our total foreign exports. Manitoba merchandise exports to the U.S. increased to $7,481.7 million in 2001, an increase of 7.3% over 2000.

In fiscal 2001/02, MTIM organized the following activities to link new and established Manitoba exporters with export opportunities:

- four trade shows in the U.S., resulting in $2.4 million in actual and projected sales
- an incoming Original Equipment Manufacturers (OEM) mission, involving five U.S. companies and 35 Manitoba companies
- incoming business mission from Minnesota headed by Governor Jesse Ventura in July 2001
- several export information events featuring export opportunities in the U.S.
- participation in the inaugural Team Canada West Mission in November 2001 to Dallas, Texas, and Los Angeles, California, with the Manitoba delegation led by Premier Gary Doer

MTIM also continued its participation in trade corridor promotion through:

- the Northern Great Plains Working Group to implement recommendations made in the "Transportation, Trade and Economic Development: Maximizing Future Opportunities in the Northern Great Plains" project
- the development and promotion of Manitoba as an important location in the Mid-continent Trade Corridor

MEXICO AND EMERGING MARKETS

Mexico – In 2001, Mexico was Manitoba's fourth-largest export market, with exports totalling $164.8 million, an increase of 30% over 2000. Agriculture-related and manufactured products were at the top of the export list.

In fiscal 2001/02, MTIM organized the following activities:

- a seminar for 40 businesspersons on "Doing Business in Mexico"
- meetings in Mexico with the Minister of Health and seven other representatives in September 2001 to arrange doctors' exchange and training programs in Manitoba
- a business mission to Jalisco in October 2001, led by the Honourable MaryAnn Mihychuk and accompanied by 13 companies, with a follow-up mission in December 2001
- a familiarization program for an incoming group of Mexican tour operators in February 2002
- an incoming visit from MTIM's foreign trade representative in Jalisco, who met with 32 Manitoba companies in March 2002

South America – In 2001, Manitoba exports to South America totalled $102.7 million, a 10% decrease compared to $114 million the previous year. Exports to Chile, Argentina, and Brazil totalled $12.8 million, a 71% decrease compared to $43.4 million the year prior. The reduction reflects the political and fiscal situation in Argentina and Brazil.

MTIM's focus has broadened to other countries within this market that, by contrast, have been enjoying continued growth. Manitoba exported $33.5 million in goods to Venezuela in 2001, a 43% increase from $23.3 million in 2000, accounting for one third of our total exports to South America.

Brazil

In fiscal 2001/02, MTIM organized incoming missions that resulted in local companies doing business with four Brazilian companies.

Chile

In fiscal 2001/02, MTIM organized the following activities:

- Information Technology Trade Mission to Santiago in the fall of 2001
- two incoming business missions from Chile
- business presentations and seminars including an information session

targeting business opportunities for the building products sector

- a breakfast meeting, in cooperation with the Chamber of Commerce, following which 12 companies committed to pursuing Chilean market opportunities
- an incoming visit from MTIM's foreign trade representative in Chile, who met with 18 Manitoba companies in March 2002

Central America and the Caribbean – MTIM's revitalized activities in the Caribbean focused on business opportunities in Cuba and the Dominican Republic. Both countries show positive economic forecasts, and import needs for them are increasing as they continue their strategy to improve technology and diversify their economies.

Costa Rica and Panama	The recent federal free trade agreement with Costa Rica provided increased opportunity for trade with Manitoba companies. Opportunities are particularly good for International Financial Institution projects, as well as others resulting from privatization.
Cuba and Dominican Republic	In November 2001, MTIM visited the Dominican Republic to explore business opportunities. As well, it organized a first-time business mission to Cuba, with four Manitoba companies participating and eight others exhibiting product at the Havana International Trade Fair. During the visit, meetings were held with three ministers, negotiations for joint ventures were initiated, two letters of intent were signed, and potential representatives were identified for three companies.

Middle East, India, and Africa – Some countries in this area have shown a significant increase in Manitoba imports, among them Egypt and the United Arab Emirates. MTIM continued to facilitate trade opportunities and bring potential partners together.

Africa	An outgoing business mission to South Africa in November 2001 resulted in four Manitoba companies now actively exploring the South African market. Participation at the August 2001 World Summit conference in the North West Province with two Manitoba companies resulted in new commercial contacts for them.
India	MTIM received an incoming Indian business mission in May 2001 with the potential for a $2 million investment in a Manitoba pulse crushing facility.
Iran	MTIM introduced Manitoba suppliers to an Iranian company interested in purchasing barley for feed. As well, Manitoba sales to Iran of canola oil and exotic bird breeding stock were completed in 2001 as a result of MTIM activities in the previous fiscal year.

ASIA AND EUROPE

Asia-Pacific Region – This region was a significant export market for Manitoba, with exports to the region valued at $959 million in 2001. This represents a 12% increase over 2000, largely due to increased shipments of nickel, swine, and wheat. Japan and China continued to be Manitoba's most significant export destinations within the region.

Australia

Australia became Manitoba's tenth largest export market, with exports of $39 million. Most of these were value-added goods, with pork products the only commodity item.

In October 2001, MTIM participated with three Manitoba agricultural companies in Australian National Field Days. All three are now shipping product to Australia.

China/ Hong Kong

Exports to China/Hong Kong of $278 million in 2001 represented an increase of 10% from the previous year. As a result of the return of Hong Kong to China, this combined market has become Manitoba's third-largest export market.

In fiscal 2001/02, MTIM:
- hosted an incoming visit in May 2001 from Governor Li of Henan Province, stemming from the Team Canada mission to China in February 2001.
- participated in the Agro-Foodtech China agricultural trade show in April 2001
- hosted other incoming visits from China including those of the Hong Kong Economic Trade Office, Henan Foreign Affairs, Far East Trade Service, Chinese Ministry of Science & Technology, Sino Grain Mission, and Anhui Agricultural Mission
- organized an incoming visit from MTIM's foreign trade representative in China, who met with 44 Manitoba companies in January 2002

Japan

Japan continued to be Manitoba's second-largest market, with exports totalling $437.3 million in 2001, an increase of 19.8% over 2000, with agricultural products predominant.

Because of Japan's uncertain economic environment during the last few years, most small- and medium-sized firms have not actively pursued the market. However, the business environment is expected to improve in the short- to medium-term, and Manitoba firms have begun actively considering this market again.

In fiscal 2001/02, MTIM:
- attended the Canada-Japan Business Committee Annual Meeting in Calgary in May 2001
- organized an incoming visit for the Canadian Embassy's Officer responsible for Investment, Science, and Technology in January 2002

New Asia-Pacific Markets

In fiscal 2001/02, MTIM:
- hosted a business visit from the Princess of Thailand, June 2001
- participated with Manitoba Agriculture in an incoming buyers' mission from Korea in October 2001
- conducted a market exploration and research visit to Singapore, Malaysia, and Thailand in November 2001
- participated with Manitoba Agriculture in an incoming buyers' mission from the Philippines and Indonesia in February 2002

- participated in incoming visits by two government representatives from the ASEAN (Association of Southeast Asian Nations) region

Europe – In 2001/02, Manitoba exports to Western Europe totalled $352.4 million, an increase of $13.2 million or 3.9% from the previous year.

In fiscal 2001/02, MTIM continued to support Manitoba companies as they looked to Europe for increased export diversification:

- assisted 32 Manitoba companies in identifying trade opportunities in Europe. Fifteen companies visited Europe on business call programs arranged by MTIM staff, meeting with over 50 European companies.
- participated in 10 visits from government representatives from Europe
- organized and participated in the Anuga Food Fair in Cologne, Germany, in October 2001, with seven Manitoba agri-food companies, resulting in $500,000 in onsite sales and $1.75 million in projected sales
- undertook a special initiative in the energy sector by seeking European firms to partner with Manitoba companies. As a result, a Swiss company visited Manitoba and signed three letters of intent to work with Manitoba firms to seek international business.
- participated in the Premier-led mission to Iceland, Germany and Belgium in August/September 2001, with 16 Manitoba firms or organizations participating in the mission. The Honourable MaryAnn Mihychuk joined the mission in Germany and Belgium.
- participated in the Team Canada Mission to Moscow, Russia, and Berlin and Munich, Germany, in February 2002, with 10 Manitoba firms/organizations participating in the mission
- organized an incoming visit from MTIM's foreign trade representative in Europe, who met with 30 Manitoba companies in January 2002

Marketing

The Marketing Branch provides extensive promotional support to the Department of Industry, Trade and Mines (IT&M) through the coordination of marketing activities and development of promotional materials. These marketing activities include five key areas:

- Web sites and electronic marketing
- Advertising and communications
- Production of brochures
- Event marketing
- Market intelligence and information services

In 2001/02, Manitoba Trade and Investment Marketing focused on new and emerging strategic priorities:

- Developing a new design and messaging for overall promotion that incorporated branding Manitoba as the "energy" province, with a diverse economy and dynamic workforce
- Partnering with community organizations to focus on "homegrown" economic development. This included projects to build local attitudes, retain and expand existing business, and retain and attract a quality workforce
- Further developing e-marketing and web site capabilities
- A growing mandate for MTIM to provide marketing support across the Department of Industry, Trade and Mines, ensuring a cohesive strategy and message

KEY MARKETING ACTIVITIES

Web sites and electronic marketing

Web Site Development – This area experienced tremendous growth. As well as managing the MTIM web site (http://www.manitoba-canada.com) in 2001/02, the Marketing Branch assumed additional responsibilities to coordinate the overall strategy and development of the main IT&M web site and the branch/division sites that fall under it (http://www.gov.mb.ca/itm).

In addition to major web site improvements, *new web site sections* were added for promoting:

- Manitoba's Energy Advantage (http://www.manitobaenergy.ca)
- Manitoba Comebacks campaign (http://www.manitobacomebacks.ca)
- Industrial Minerals Development
- Provincial Nominee Program for Business
- Manitoba's trade mission to Jalisco, Mexico
- Mining Task Force

Business Information Service – Also in 2001/02, work was initiated on building an interactive business service tool (Manitoba Business Information Service) designed to work with companies to proactively provide them with emailed information on business opportunities. Public launch of this tool is expected in the summer of 2002.

New Video – In 2001/02, a new 3-minute promotional video was completed in English and Spanish.

New Slide Presentation – A new "master" slide presentation (140 slides) was completed for use by the entire Department of IT&M. This presentation was made available in many electronic formats and online for internal and external use.

Advertising and communications

In 2001/02, a limited number of ads appeared targeting Manitoba's two key investment markets (U.S. and Europe) and taking advantage of special opportunities to cooperate in promotional opportunities with federal or municipal partners.

City Image Building campaign - In 2001/02, Manitoba also participated as a partner in the Winnipeg Chamber of Commerce Image Building campaign to build positive attitudes locally.

Manitoba Comebacks campaign – A campaign was launched to encourage ex-Manitobans with needed skills to return to the province. In 2001/02, the plan was developed, private sector consultation sought, focus group tests conducted, and magazine development begun. The first magazine issue is planned for the Spring of 2002.

Production of brochures

An *electronic photo library* of images was completed for use by IT&M in promotional material.

The *Access Advantages* brochure was completed in Spanish for use on the Team Canada mission to South America and Mexico.

Business Immigration Program brochures and slide presentations were completed in English, Korean, Mandarin, and Tagalog.

Energy Development Initiative promotional brochures and CD ROM were completed.

Miscellaneous *International Trade Development* promotional pamphlets and folders were completed in 2001/02, including the new "Export Services" brochure; Team Canada mission brochures in Russian, German, and English; and Team Canada USA brochures.

Event marketing

Manitoba Mining and Minerals Convention – Event marketing support was provided for this annual event in November 2001. The event was successful once again, despite difficult economic conditions.

New display booths – In 2001/02, two new display booths were completed for the Minerals Division and one new promotional display booth for general departmental use.

Honouring Manitoba's Top 50 Fastest-Growing Businesses – Once again, Industry, Trade and Mines hosted a successful event, in cooperation with *Manitoba Business Magazine*, to honour Manitoba's top 50 fastest-growing companies.

Market intelligence and information services

MTIM continued to provide international *business development information products and services* to Manitoba clients/companies and information about Manitoba company capabilities for potential clients in overseas markets. The program involves data collection surveys with federal and provincial delivery partners, analysis, and dissemination.

10-2(b) Manitoba Trade and Investment Marketing

Expenditures by Sub-Appropriation	Actual 2001/02 $	Estimate 2001/02 FTE	Estimate 2001/02 $	Variance Over (Under)	Expl. No.
Total Salaries & Employee Benefits	2,487.0	41.00	2,700.6	(213.6)	
Total Other Expenditures	2,512.1		2,845.5	(333.4)	
Total Grants/Transfer Payments	161.7		170.0	(8.3)	
Less: Recoverable from Rural and Urban Economic Development Initiatives	(1,000.0)		(1,000.0)	0.0	
Total Expenditures	**4,160.8**	**41.00**	**4,716.1**	**(555.3)**	

SMALL BUSINESS AND CO-OPERATIVE DEVELOPMENT

Small business is recognized as the engine that drives the Canadian economy. The Branch's target client groups are the 34,000 small businesses in Manitoba that make up over 90% of all businesses in Manitoba, the self-employed entrepreneurs numbering 90,000 and growing, and new business ventures. The Branch also provides key services to approximately 380 Manitoba co-operatives (with over 300,000 members) including assistance in incorporation of new co-operatives and counselling for existing co-operatives. Branch clients represent businesses from retail, wholesale and manufacturing to services and technology.

OBJECTIVES

The objective of the Small Business and Co-operative Development Branch is to provide the necessary tools for successful business development. The Branch has two primary roles. The first is to develop, co-ordinate and deliver services and programs for the enhancement and growth of Manitoba's entrepreneurial and small business community. The second role of the Branch is to assist groups and communities to develop viable co-operative enterprises to meet a broad range of economic and social needs of Manitobans. The Branch has recognized the multi-cultural nature of Manitoba's entrepreneurial community and has customized its programs to address the specific needs of these business people. Services in business management, business planning and access to capital are tailored to meet the needs of new entrepreneurs including women, Aboriginals, new immigrants, youth, people with disabilities and professionals.

ACTIVITIES/RESULTS

The activities of the Branch are generic in scope with the intent of reaching a broad spectrum of individuals and business types. The major thrusts of the Branch are to assist small business start-ups and growth of existing businesses through the provision of management training, information services, counselling and financial assistance. Branch programs are developed in partnership with business associations, other government departments (federal and provincial), educational institutions and the public.

The Small Business and Co-operative Development Branch delivers extensive business information, business and trade library services through the Canada/Manitoba Business Service Centre, the E-Business Service Centre and a variety of programs and services including Co-operative Development Services, Mobile Business Service Centre, Business Start, Business Counselling and Entrepreneurial Development and Training. Business information, counselling services, business and trade library services are also delivered through the Western Region Office in Brandon.

Canada/Manitoba Business Service Centre - Effective April 1, 1998, the Small Business and Co-operative Development Branch integrated services and co-located its programs with the Canada Business Service Centre into a single, highly visible, efficient operation to support Manitoba business development and entrepreneurship. The new business service centre which is known as the Canada/Manitoba Business Service Centre (C/MBSC) represents a single point of contact for current and accurate business information, extensive business and trade library services, market research and improving management effectiveness through business counselling and education programs.

In 2001/02, the C/MBSC responded to approximately 54,000 business and trade-related inquiries including more than 6,500 interactions with the business counsellors of the Small Business and Co-operative Development Branch. The number of Internet requests for information from the C/MBSC website were approximately 160,000.

C/MBSC Satellite offices - Through the Partnership Agreement with Western Economic Diversification, there exists 21 satellite C/MBSC offices throughout Manitoba which will make business information and resources more accessible to all entrepreneurs throughout all regions of Manitoba. Three additional satellite C/MBSC offices are scheduled to open in April and May 2002.

E-Business Service Centre - The E-Business Service Centre (E-BSC), introduced in 2000/2001, within the C/MBSC, provides the information that small and medium sized enterprises need to enable them to be aware and adopt e-commerce and e-business technologies within their businesses.

The E-BSC responded to over 1,600 e-business related enquiries and delivered and/or facilitated 99 e-business related seminars to approximately 1,900 participants, including several in rural Manitoba.

Entrepreneurial Development and Training Seminars were provided in partnership with other agencies to more than 2,200 participants. These seminars included marketing, management development, How To Start A Small Business workshops, youth entrepreneurship workshops as well as a variety of other business related topics. A senior student workshop was also held in 2001/02 and approximately 100 students from high schools in and around Winnipeg participated. The Manitoba Marketing Network delivered six workshops to 139 participants and counselled 55 small businesses.

The Aboriginal Business Development Program, promotes entrepreneurship training, business information, workshops and business counselling to Aboriginal entrepreneurs and community based organizations in the interest of developing small business and entrepreneurship. Ota-Miska, a resource manual outlining services available to Aboriginal people in Manitoba, was updated, published and circulated to all agencies and organizations working with Aboriginal people. There exists eight C/MBSC satellite offices which focus on Aboriginal Business Development, with over 50% of the clients being Aboriginal.

Under the ***Business Start Program***, 41 loan guarantees totalling $396,700 were approved in 2001/02. During the year, 639 participants attended the 29, three-day Business Planning Workshops conducted throughout Manitoba under the Business Start Program.

The Mobile Business Service Centre, visited 17 rural communities in conjunction with business seminars/events and handled more than 400 inquiries/referrals. Five workshops were also conducted in rural and northern Manitoba on a variety of business related topics.

Co-operative Development Services assisted with the development or expansion of numerous co-operatives and businesses during 2001/02 requiring a total proposed investment of approximately $2,300,000 and potentially creating 30 jobs. Organizational and business consulting services are provided to the Manitoba's co-operative industry sector through Co-operative Development Services. Currently, there are 378 co-operatives registered in Manitoba.

In 2001/02, Co-operative Development staff handled more than 2,000 inquiries and provided counselling assistance for 12 new co-operative incorporations.

Publications developed by the Branch and the C/MBSC continue to be a valuable resource to the business community and support the Branch's training programs. The Branch, the C/MBSC and the E-BSC produce over 60 publications on a variety of subjects including business information, business planning, small business management systems, e-business and e-commerce, entrepreneurial handbooks and self-evaluation guides. Publications are distributed through the Branch, the Canada/Manitoba Business Service Centre and its satellite offices, the E-BSC, the Mobile Business Service Centre, Western Region Office in Brandon, and 34 business development outlets throughout Manitoba.

Small Business Counselling Services were provided to over 6,500 clients in 2001/02. Business Counsellors provided one-on-one business counselling to entrepreneurs and businesses in a number of sectors including retail, service and manufacturing. The Business Counsellors also conducted five workshops pertaining to starting a small business and marketing.

Other Activities - Branch staff partnered with other departments and agencies in the successful delivery of Small Business Week, Co-operative Development Week, Rural Forum 2001 the Young Entrepreneurs Program and the delivery of French-language services at the Bilingual Government Service Centre located in St. Boniface,. The Branch supported and participated in a number of other projects including Uniquely Canada, Canadian Women Entrepreneur of the Year Awards, Manitoba Women Entrepreneur of the Year Awards, a variety of projects pertaining to Entrepreneurs with Disabilities, Aboriginal Human Resource Development Business Conference, Junior Achievement Northern and Urban Aboriginal Youth, Senior Student Business Workshops, Regional Economic Development Symposiums and Cultural Industries Training.

10-2(c) Small Business and Co-operative Development

Expenditures by Sub-Appropriation	Actual 2001/02 $	Estimate 2001/02 FTE	Estimate 2001/02 $	Variance Over (Under)	Expl. No.
Total Salaries & Employee Benefits	1,190.2	21.50	1,214.2	(24.0)	
Total Other Expenditures	767.1		721.5	45.6	
Total Grants/Transfer Payments	30.0		30.0	0.0	
Total Expenditures	**1,987.3**	**21.50**	**1,965.7**	**21.6**	

MANITOBA ENERGY DEVELOPMENT INITIATIVE

During this fiscal year, the Department's energy intensive initiative was expanded to include energy policy along with energy economic development activities. In response to rising power rates, energy shortages and quality and reliability problems that other jurisdictions were experiencing, there was an opportunity to leverage Manitoba's abundant, low cost, reliable and surplus electrical capacity as a main driver for investment attraction. In addition to the Manitoba hydro advantage, there are other energy-related opportunities associated with Climate Change and these needed to be evaluated. In January 2002, the Manitoba Energy Development Initiative was established as a separate division dedicated to energy economic development and energy policy development.

OBJECTIVES

The primary objectives of the Manitoba Energy Development Initiative include: developing and implementing government-wide economic development strategies encompassing Manitoba hydroelectric resources and other renewable energy development opportunities; developing, analyzing and implementing the provincial government's energy policies; and implementing energy-related Climate Change initiatives.

ACTIVITIES/RESULTS

Energy Policy - The Energy Policy Branch is responsible for developing broad energy policies that establish a framework for sustainable energy economic development and programs that contribute to the reduction of greenhouse gases. The following provides a summary of the activities.

The branch is leading an interdepartmental ethanol policy development working group for the purpose of expanding the production and consumption of ethanol in Manitoba.

The branch has also been working closely with the Climate Change Branch and Manitoba Hydro in developing Manitoba's response to Canada's potential ratification of the Kyoto Accord.

There are ongoing evaluations being conducted into the viability of other energy renewable initiatives for developing wind, geothermal and biomass projects. Additionally, the division is participating on a committee to develop a "Regional Renewables Strategic Planning Initiative" with representatives from Minnesota, Iowa, and North and South Dakota. The purpose is to develop a regional plan for renewable energy that includes hydro, ethanol, wind and hydrogen. The division is also monitoring the United States energy restructuring of transmission infrastructure and generation plans to assess potential impacts on Manitoba Hydro export sales and future opportunities.

To facilitate further export opportunities and assist in developing a broad based national energy vision, the division coordinated an East-West Transmission Grid Study in conjunction with the other provinces, territories and the federal government. A review of the study results is scheduled for September 2002 at the Energy Ministers meeting in Winnipeg.

The Manitoba Energy Development Initiative is a member of the Manitoba Climate Change Action Fund review team and also reviews project proposals for the Sustainable Development Innovations Fund.

Energy Economic Development - The Energy Economic Development Branch is responsible for promoting existing energy sources and developing emerging renewable energy sources for sustainable and environmentally responsible economic growth in Manitoba. The branch works closely with Manitoba Hydro in developing and implementing its investment strategies.

Investment Attraction - A primary responsibility of the branch is to attract investment to the province, using Manitoba's low cost, reliable power as a major attraction. Investment attraction activities undertaken by the branch included developing detailed sector related company prospect lists and a concentrated effort in promoting Manitoba investment opportunities to those companies (mainly in the United States and Canada). As a result of company contacts, the branch prepared a number of detailed proposals to help companies in the food, high tech, minerals, and manufacturing sectors assess Manitoba for potential expansion plans.

The branch targeted four trade shows and conferences to complement the general sales and marketing efforts. Prospects were identified in the metal processing and manufacturing sectors, resulting in a series of ongoing visits to Manitoba to assess potential investment opportunities.

Throughout the fiscal year, the branch provided support to three companies from the initial stages of considering Manitoba as an option for expansion or relocation to the time the company made the decision to locate in Manitoba. Sunterrra Horticulture started a peat moss operation in the Interlake, close to Riverton and Berger Peat Moss is expected to commence development of the St. Labre Bog south of Hadashville. Albchem Industries started production of a $50.0 million sodium chlorate plant in Hargrave, near Virden, Manitoba. Initial production is expected to be 40,000 tons per year and the plant employs 21 people.

To further assist with focusing investment attraction activities, the branch commenced work on a power quality/reliability study. The intent is to identify industry sectors and companies that are most sensitive to power quality issues and to determine their specific needs in terms of power service. Results of the study will help in efforts to better target companies, especially in the United States where power quality needs are increasing and the ability to deliver appropriate service is declining.

Retention/Expansion - The branch commenced work on a retention/expansion study, gathering information from other jurisdictions regarding energy related economic programs geared to industry. The intent is to examine new programs for Manitoba that will help companies remain viable in difficult times or those in an expansion mode.

Manitoba Profile - To help build profile for Manitoba within the United States, the branch commenced work on a media campaign to demonstrate Manitoba as a cost competitive jurisdiction using our low cost energy as the centre piece. As well, the "Power for Business" brochure was completed and distributed and Manitoba's energy advantage was featured through advertisements in a number of site selector publications.

Renewable Energy - Hydrogen continues to gain momentum as a promising clean and sustainable energy source. The branch has organized a provincial Hydrogen Steering Committee and associated working groups that are in the process of conducting an assessment of hydrogen economic development opportunities for Manitoba. Representatives from three levels of government, the academic community, Manitoba Hydro, Atomic Energy Canada Limited and industry are participants in the process

In support of provincial ethanol initiatives, the branch is also working closely with potential ethanol producers interested in developing plants in Manitoba. Several organizations and companies are currently assessing business cases for investing in Manitoba.

Note: Expenditures for the Manitoba Energy Development Initiative are reflected in other appropriations.

MINERAL RESOURCES

MANITOBA GEOLOGICAL SURVEY

OBJECTIVES

By developing an understanding of Manitoba's geology and geological processes, the Manitoba Geological Survey (MGS) promotes mineral exploration investment in the province and contributes to wise land-use management decisions. Public sector geoscience information is recognized worldwide as an incentive to mineral exploration.

ACTIVITIES/RESULTS

The MGS conducts a wide range of investigations in Manitoba's Precambrian Shield, Western Canada Sedimentary Basin, and Hudson Bay Basin. Investigations include examination of exposed bedrock, subsurface materials, and surficial sediments including sand, gravel and organic deposits. Major field-based activities conducted by the MGS include bedrock mapping at a number of scales, as well as more specialized, thematic projects:

- Compilation maps and regional syntheses (1:50 000 scale or smaller) provide up-to-date regional-scale information for both the major mining districts of Manitoba and the frontier areas of the province. They also provide geological background and mineral-resource assessments in support of land-use planning and sustainable development.
- Thematic studies (1:20 000 scale or larger) address specific geological and land-use problems, support mineral-deposit studies and compilation-series mapping, and identify new methods of assessing and defining mineral potential for a variety of traditional and non-traditional mineral-deposit types.
- Specialized geochemical and geophysical projects provide regional data to assist industry in the identification of prospective areas.
- Maintenance of a mineral-deposit inventory provides a systematic catalogue of metallic-mineral, industrial-mineral and aggregate deposits.

Geoscience Program
In 2001, geological programming in Manitoba continued to focus on fostering a positive business climate for investment in mining and exploration within the province. Approximately 31% of the project-related operating budget was directed toward studies in the northern Superior Province, primarily for programs in support of diamond-related exploration. Approximately 48% of the project-related operating budget was directed toward projects within traditional mining camps: Flin Flon Belt, Lynn Lake Belt, Thompson Nickel Belt and southeastern Manitoba. The remaining 21% supported Quaternary, aggregate, industrial minerals and land-use planning in the south-central part of the province, as well as province-wide projects.

Geoscience activities in Manitoba this year reflect the completion of some major projects (e.g., Thompson Nickel Belt CAMIRO), the final year of other collaborative ventures (e.g., Western Superior and Winnipeg Region NATMAPs) and the start of new projects (e.g., Targeted Geoscience Initiative (TGI) projects in the Lynn Lake–Leaf Rapids and Flin Flon regions).

The program is reviewed annually by the Mineral Exploration Liaison Committee (MELC), composed of members of the Mining Association of Manitoba, the Manitoba Prospectors and

Developers Association and the Manitoba–Saskatchewan Prospectors and Developers Association, as well as representatives from the University of Manitoba and the Geological Survey of Canada (GSC).

Partnerships or collaborative projects with external agencies and organizations form an increasing proportion of the MGS geoscience program. Such partnerships make best use of combined funds and expertise, and result in high-quality, focussed, effective programs. The partnered initiatives include contributions from the federal government, the mineral-exploration industry and several Canadian universities. These partnerships added approximately $1.9 million to geoscience programming in Manitoba for 2001–2002, providing significant leverage to the MGS geoscience budget.

Federal-provincial cooperation and coordination of geoscience projects continued with the Government of Canada's $15 million, three-year Targeted Geoscience Initiative. The GSC is involved in two projects located in Manitoba and adjoining portions of Saskatchewan. Funding from GSC through the TGI is matched by funding and in-kind contributions by MGS. The mapping projects will significantly increase understanding of the geology and mineral deposits in Lynn Lake–Leaf Rapids and Flin Flon regions, where there is significant potential for the discovery of new base- and precious-metal deposits.

Precambrian Mapping

Regional mapping projects were conducted in the Superior Province, Thompson Nickel Belt, Superior Boundary Zone, and Flin Flon–Lynn Lake–Leaf Rapids portions of the Trans-Hudson Orogen.

In the Superior Province, the Western Superior NATMAP project is focused on defining the crustal evolution and tectonic assembly of the Superior craton west of Lake Nipissing. New 1:250 000 scale bedrock geology compilation maps were produced in 2001–2002 as contributions to the project, which has entered its last operating year. Regional mapping conducted under the auspices of the Western Superior NATMAP was limited in 2001, with emphasis placed instead on evaluation and consolidation of data collected during the project.

Two thesis projects were sponsored by MGS in the Superior Province this year: an M.Sc. tectonostratigraphic and geochronological study at Waterloo University in the Island Lake greenstone belt, and a Ph.D. structural study at the University of Maryland that will contribute to the growing understanding of Archean tectonics in the northern Superior.

The MGS and industry partners Inco Ltd., Falconbridge Ltd., and Hudson Bay Exploration and Development Co., Ltd. have been involved in a multi-year collaborative program designed to create a new compilation map of the Thompson Nickel Belt (TNB). A preliminary version, published in June 2001, includes a set of fifteen maps that cover an area from Moak Lake (northeast of Thompson) to Bracken Lake (north of Grand Rapids).

A new project was started to document the geological relations and isotopic ages of rocks north of Thompson, along the complex boundary zone between the northwestern Superior craton and the Trans-Hudson Orogen. In 2001, work proceeded on a 60 km transect from Thompson to Pearson Lake. Samples were collected for a variety of studies, including Nd-Sm isotope systematics and U-Pb age determinations, to be conducted at the University of Alberta.

In the Trans-Hudson Orogen, regional mapping was conducted in the Wabishkok Lake area near Flin Flon, a lithologically and structurally complex area that has not been mapped since the 1950s. The GSC began its first field season of a TGI project aimed at providing a regional tectonostratigraphic context for supracrustal and plutonic rocks along a transect extending northeast from Leaf Rapids. The 2001 field program included a re-evaluation of the lithotectonic framework from the northwestern margin of the Rusty Lake belt to the Partridge Lake belt, as well as a companion study on the mineral potential of the Rusty Lake belt.

Mineral Deposits Investigations

Many of the MGS mineral deposits investigations in 2001 were conducted in conjunction with partnership programs such as CAMIRO and TGI.

The four-year Canadian Mining Industry Research Organization (CAMIRO) project in the Thompson Nickel Belt was completed in 2001. The project has five industry sponsors (Inco Ltd., Falconbridge Ltd., Hudson Bay Exploration and Development Co., Ltd., Billiton Metals Canada Inc. and Western Mining International Ltd.) and a combined industry–NSERC budget of approximately $800,000. Researchers from Laurentian University, the University of Manitoba, Université de Québec à Montréal, University of Alberta, University of Saskatchewan, MGS and GSC conducted geochemical, geochronological and structural studies in the TNB that have contributed fundamental new information for this world-class nickel district. The Thompson Nickel Belt CAMIRO project wrapped up with a sponsors' meeting and field trip in August 2001.

Nine new projects have been initiated under the Flin Flon TGI. These projects are designed to increase understanding of the volcanic and hydrothermal events influencing the setting of volcanogenic massive sulphide (VMS) deposits in the central Flin Flon Belt. This study brings together geoscientists from the GSC, MGS, Saskatchewan Geological Survey (SGS), Laurentian University and the University of Manitoba to collaborate with local exploration geologists from Hudson Bay Exploration and Development Co., Ltd., Aur Resources Inc. and M'Ore Resources. The Flin Flon TGI involves separate but integrated subprojects spanning the Manitoba–Saskatchewan border, including alteration-related studies, trace-element geochemistry of VMS deposits, a cross-border geological compilation of the Flin Flon area, and a facies study of the volcaniclastic host rocks to the Flin Flon, Triple 7 and Callinan deposits.

The MGS began an integrated study to better understand the gold and base-metal potential of the Lynn Lake Belt in 1999, with deposit-scale studies, structural mapping of mineralized shear zones and targeted geochemical surveys to aid mineral exploration. In 2001, these activities were bundled into the new Lynn Lake–Leaf Rapids TGI project. Component projects include 1) a structural, stratigraphic, mineralogical and geochemical investigation of the Agassiz Metallotect (Ph.D., University of New Brunswick), 2) a structural, mineralogical and geochemical investigation into the genesis of gold mineralization associated with the Johnson Shear Zone (M.Sc., Laurentian University), 3) development of a digital "expert system" utilizing existing and new digital data sets in the Lynn Lake area to develop a predictive tool for gold exploration (M.Sc., University of Manitoba), and 4) regional structural studies in the Lynn Lake Belt.

The MGS conducted studies supportive of platinum group element (PGE) exploration in a number of localities, including the Bird River sill in southeast Manitoba and at the recently discovered McBratney Lake PGE occurrence east of Flin Flon. The latter occurrence highlights the mineral potential for 'contact-type' PGE mineralization associated with the physical and chemical interaction between a gabbroic magma and sulphide-bearing mafic volcanogenic host rocks. The McBratney Lake PGE discovery is significant because of the exceptionally high PGE tenor and significant potential for similar mineralization at gabbro-basalt contacts in the region.

Geochemical Surveys

Manitoba's five-year 'Operation Superior' multimedia geochemical survey began in 1995 and completed its final year of data collection in 2000, but the program's success led to a continuation of the survey in the northern Knee Lake region in 2001. During Operation Superior, helicopter-supported, multimedia geochemical and indicator mineral surveys targeted greenstone belts throughout the northern Superior Province. Published results from 'Operation Superior' are credited with helping to spark the recent rush in diamond exploration in the region, where approximately 24,000 square kilometres have been taken out in exploration permits and claims.

In 2001, rock, till, b-horizon soil, humus and vegetation samples were collected formulti-element geochemical analysis from 157 sites in an area west, north and east of the northern half of the Knee Lake greenstone belt. The sampling included 150 bulk till and beach sand samples collected for kimberlite indicator-mineral identification and analysis.

Phanerozoic Investigations

Stratigraphic investigations and drilling programs were carried out for various projects in south and south-central Manitoba. The Manitoba Stratigraphic Database (MSD) continues to be updated, now containing information for 5619 stratigraphic, mineral-exploration, oil-and-gas and other wells, of which 4340 have formation tops.

The Capital Region Study involves an investigation of the crushed-stone and mineral potential in and around the City of Winnipeg. Preliminary maps for the northern portion of the Capital Region Study were released in printed form in 1999 and will be useful for land-use planning in surrounding municipalities.

The mineral potential of Phanerozoic rocks and underlying Precambrian basement is an important area of study in south-central Manitoba. This year, a gravity and magnetic survey along The Pas Moraine was conducted to investigate the gravity and magnetic field of the Superior Boundary Zone and further define the southern extension of the Thompson Nickel Belt.

Surficial Geology

A new project was undertaken this year to outline the Quaternary stratigraphy and determine the provenance of tills in the northern Superior Province and adjacent Hudson Bay Lowland, in support of diamond exploration. Investigations of seven river-cut till sections northeast of Knee Lake include a combination of pebble analysis, carbonate analysis, matrix geochemistry, textural analysis, kimberlite indicator-mineral analysis and pebble-fabric analysis.

In addition to the multimedia and diamond-indicator studies in the northern Superior Province, two Quaternary research topics are being investigated in Manitoba. The first project is studying the influence of recent geological and climatological processes on flood frequency in the Red River Valley, while the second deals with the compilation of digital data sets in support of a three-dimensional digital geological model for southern Manitoba. Both projects represent collaborative efforts with the GSC.

Research on the long-term sustainability of the fresh groundwater resource in southern and central Manitoba is addressing the protection of recharge and ensuring that extraction does not lead to unacceptable lateral migration of saline waters. Three-dimensional modelling for the Phanerozoic terrane of southern Manitoba is an important element of this strategy, with applications ranging from basic science to groundwater-flow modelling and livestock management. The Phanerozoic sequence, comprising Quaternary sediments and Phanerozoic sedimentary rocks, down to and including the Precambrian surface, will be modeled in a GIS environment using all readily available, nonconfidential, drillhole databases.

Industrial Minerals and Aggregate Investigations

Aggregate-resource inventories are being updated for a number of rural municipalities in southern Manitoba, including the Capital Region area, where the long-term objective is to update 1:100 000 scale aggregate resource maps. In 2001, assessment of aggregate resources was also carried out in a number of candidate sites proposed under the Protected Areas Initiative.

Land Use

The MGS conducts a number of activities related to sound land-use management: 1) provision of mineral-resource assessments in candidate sites under the Protected Areas Initiative; 2) identification of potential geological hazards (e.g., shoreline erosion, neotectonics, landslides); 3) review of land-use planning submissions; 4) examination of applications for surface use of crown land to ensure that access to mineral occurrences is not adversely affected; and 5) collaborative programs with Manitoba Conservation, Manitoba Hydro and the GSC to evaluate geological hazards and potential impacts on development.

Geoscience Information Section

The Geoscience Information Services Section has worked extensively on digital conversion of both 1:250 000 bedrock and surficial geology maps, in preparation for delivery via the Internet map server on the departmental Web site. GIS and data-management support was also provided to the Western Superior NATMAP project and Flin Flon TGI. In November 2001, the GSC and MGS jointly released a comprehensive digital compilation of geological, geochemical and geophysical data sets for southeast Manitoba on CD-ROM.

The 'GIS Map Gallery' is the department's access point for information on mineral claims, assessment files, and geological databases. To access the database, clients use an Internet connection and a JAVA-enabled web browser such as Microsoft Internet Explorer™ or Netscape Navigator™. The web site has a user-friendly GIS interface, with tools that allow query and analysis of the most current data sets relevant to the mining and mineral exploration community.

Regional Offices

Staff in regional offices in Flin Flon and Thompson respond to a range of inquiries, including regional geology, potential of mineral properties and mineral identifications. These offices also provide mining recording services to the communities, including recording new mineral claims, and maintaining an up-to-date library of provincial claim and land-status maps. They also provide access to, and sales of, maps and reports, and access to electronic databases.

Client Services

Client Services provides communications, outreach and information production and dissemination services for the Mineral Resources Division to assist in the promotion of exploration and mining investment opportunities and increase public awareness of the benefits and opportunities of sustainable mineral development. Responsibilities included the web publishing of minerals-related content for the departmental web site as well as the production and distribution of MGS publications and promotional materials. These publications, as well as other minerals-related information resources, were disseminated through library services, publication sales and the Mineral Resources Division web site. Library and publication sales staff worked on major initiatives that will provide web access to the library catalogue, the Bibliography of Manitoba Geology and mineral inventory records as well as on-line purchasing of MGS reports and maps. Major outreach activities included planning and administering the Mining Task Force public consultations, the Orphaned/Abandoned Mines Workshop, Provincial

Mining Week, and planning for the 2002 Energy and Mines Ministers Conference.

Minerals Policy and Business Development Section

The Minerals Policy and Business Development section is responsible for monitoring industry and commodity information used in formulating of Manitoba's minerals policies, promoting mining and exploration investment opportunities organizing and staging of the annual Mines and Minerals Convention and administering the Mineral Exploration Assistance Program (MEAP) and Manitoba Prospectors Assistance Program (MPAP). The section helps facilitate the provision of community adjustment services to communities facing mine closure. To achieve these goals, the Minerals Policy and Business Development section works closely with the Manitoba Geological Survey and the Mines Branch of Industry Trade and Mines and all affected government departments.

The activities and results of Minerals Policy and Business Development are illustrated below:

On a global scale the mining industry has suffered over the past few years. Despite this, Manitoba continues to generate positive news. After gaining international recognition in the 1999 Fraser Institute survey of mining companies as 'one of the best places in the world to invest in exploration and mining', frontier exploration, particularly for platinum group metals and diamonds, has dramatically expanded. Platinum group metals are primarily used in the production of automotive catalytic converters that reduce tailpipe emissions and benefit the environment. The search for diamonds has generated new and unprecedented levels of exploration activity in northeast Manitoba.

In addition, Hudson Bay Mining and Smelting and Inco continue major investments to ensure their operations remain in Manitoba until at least 2016.

The section continued to build relationships with exploration and mining companies by promoting the advantages of investing in Manitoba. The benefits of these relationshipsare not always realized immediately. Mineral exploration and mine development are long-term endeavours with inherent risks. Over the years, however, all Manitobans have benefited from a healthy minerals sector that has grown to be the second largest primary resource industry in Manitoba, with a value of nearly $1 billion annually.

The responsibilities of the Minerals Policy and Business Development section are implemented on a wide variety of fronts that include strategic business development including minerals policy, focussed client service, mining community development and administration of the minerals incentives programs.

Strategic Business Development - To effectively promote Manitoba's mineral investment advantages, it is important to understand industry trends and needs. Where possible, it is also necessary to contribute to the policies and initiatives that can impact mineral investment in a positive and sustainable way. Section representatives participated on various committees such the Mining Tax Committee, Mines Act Review Committee, and the Protected Areas Mineral Liaison Committee.

Competition for the exploration dollar has become international in scope and if we are to maintain a healthy and sustainable mining industry in the province it is critical to elevate the profile of Manitoba's mineral endowment and positive business environment. Section personnel conducted focussed marketing initiatives and attended major industry conferences to attract exploration dollars to the province. In addition, the Department worked collaboratively with local prospectors groups and Manitoba's mining communities to promote mineral and business opportunities in and around those communities through a Team Manitoba approach.

Conventions and Trade Shows - Investment opportunities were promoted through trade show displays and direct marketing efforts at the following major mining and exploration events:

- Prospectors and Developers Association of Canada (PDAC) - Toronto (6,800 in attendance)
- Cordilleran Roundup - Vancouver (2,500 in attendance)
- New Orleans Gold Conference, New Orleans
- 2001 Winnipeg Investment Conference, Winnipeg

Team Manitoba - a collaborative effort between Manitoba's mining communities, mineral property holders and staff from Industry, Trade and Mines, was also successful in promoting mineral investment. Working together, the Team, including mayors from Manitoba's mining communities, provided a unified front to potential investors at the Prospectors and Developers Association of Canada Conference and at the Manitoba Mining and Minerals Convention.

Client Service - Minerals Policy and Business Development, in co-operation with other Branches and government departments, provided advice and direction to help new mining and exploration companies adjust to operating in a new jurisdiction or existing companies embarking on new ventures. This client assistance was provided in both an interdepartmental team approach and through issue driven individual service.

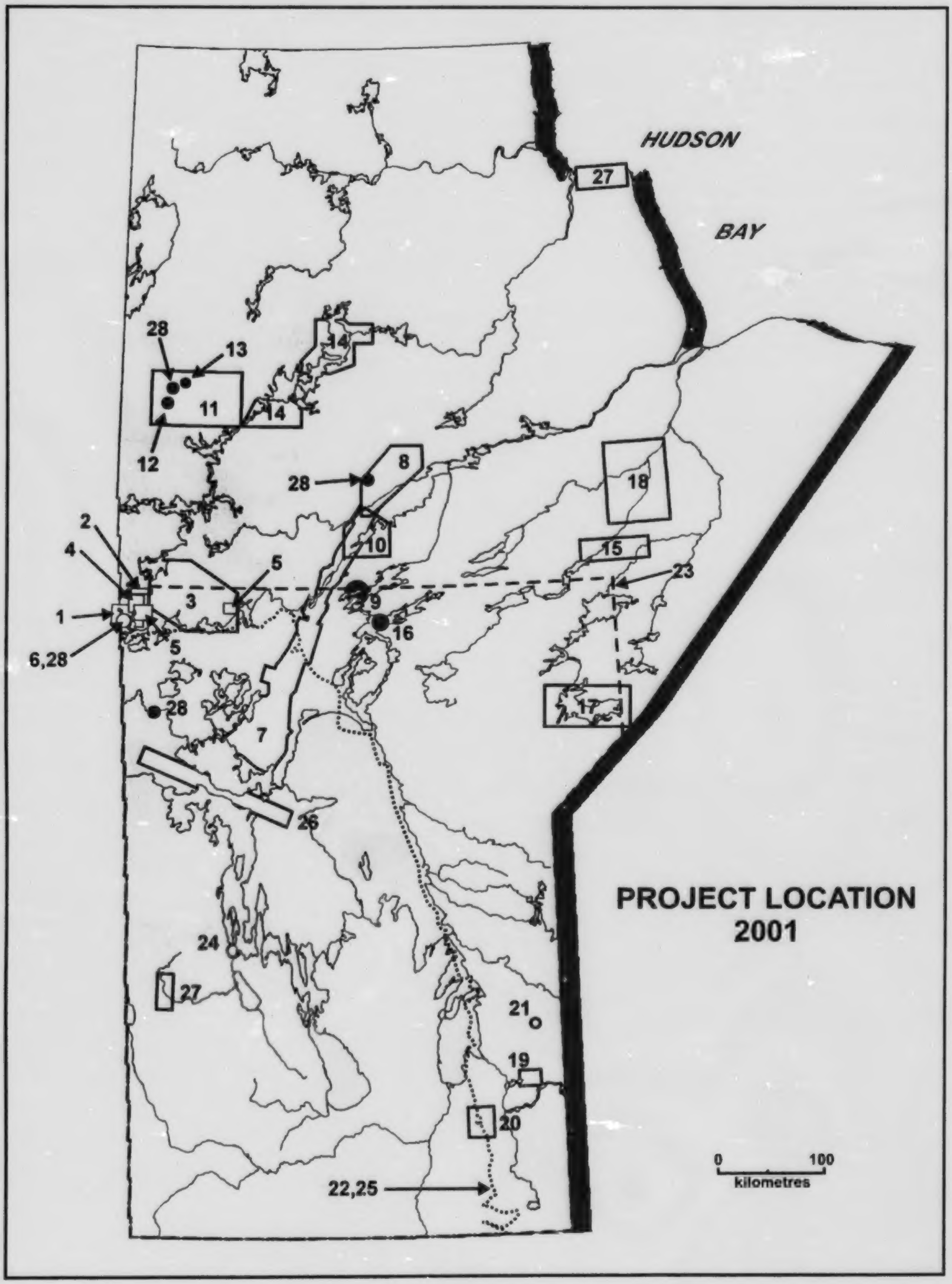
Community Development - activities undertaken by the section include participating in and co-ordinating various initiatives related to mine closure, including facilitating community adjustment and community economic development. The purpose of these activities is to help ameliorate the effects of mine closure on, and contribute to, the long-term viability of mining communities.

The department, with Intergovernmental Affairs and Labour took the lead in organizing an interdepartmental working group to deal with mine closure at Lynn Lake and Leaf Rapids. This core group grew into a government Steering Committee that is presently addressing both local and regional issues in the Lynn Lake – Leaf Rapids area. In addition to increased government geological programming in this region, the government is providing funding assistance from the Mining Community Reserve to help each community deal with the effects of mine closure and plan for future economic development.

Manitoba Mining and Minerals Convention - the annual Manitoba Mining and Minerals Convention hosted over 700 industry stakeholders. The convention provided a venue for stakeholders to learn of the latest government geological information releases, exploration and mining services and business opportunities. The convention theme, "The Rush is On", focused on the exploration for non-traditional commodities such as platinum, palladium, tantalum and diamonds while working together to realize the full potential of Manitoba's mining and exploration industry. In 2001, the convention hosted a total of 65 booths and 30 presentations. In addition, 34 mineral property booths and 39 geological posters were featured. The Manitoba Mining and Minerals Convention 2002 will be held November 14, 15 and 16 at the Winnipeg Convention Centre.

Exploration Incentives - The continuation of mineral incentive programs such as the Mineral Exploration Assistance Program (MEAP), and the Manitoba Prospectors Assistance Program (MPAP) sends a positive message to industry that Manitoba is serious about attracting investment and supporting industry in times when market conditions make raising capital difficult. All programs were administered by the Minerals Policy and Business Development section (see pages 48-49 for more detailed information).

LOCATION OF PROJECTS 2001/2002


HUDSON
BAY
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PROJECT LOCATION
2001
24
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0
100
kilometres

Map Legend

Location of Projects 2001/2002

1. Flin Flon Targeted Geoscience Initiative
2. Wabishkok Lake 1:20 000 bedrock geological mapping
3. Josland Lake sills: U-Pb age and tectonostratigraphic implications
4. PGE studies in the Flin Flon greenstone belt (McBratney Lake area)
5. Mineral deposit studies in the Flin Flon area
6. Flin Flon regional office
7. Thompson Nickel Belt project
8. Superior Boundary Zone – Reindeer Zone transition in the Pearson Lake – Odei River – Mystery Lake region
9. Hydration of Pikwitonei Domain granulite, Thompson Nickel Belt
10. Pegmatite remagnetization from paleomagnetism, Thompson Nickel Belt
11. Structural analysis and investigations of shear-hosted gold mineralization in the Lynn Lake greenstone belt
12. Structural analysis of the Pool Lake – Boiley Lake area
13. Stratigraphic and structural mapping of the Agassiz Metallotect
14. Churchill River – Southern Indian Lake Targeted Geoscience Initiative
15. Multimedia geochemical and mineralogical surveys, northern Superior
16. Deformation history of the central Cross Lake Shear Zone
17. Geology and geochronology of the Island Lake greenstone belt
18. Quaternary stratigraphy, till provenance and kimberlite indicator mineral surveys, Hayes River
19. Stratigraphy and PGE mineralization in the Bird River sill
20. Investigation of Precambrian monadnocks
21. Phytoremediation of mine tailings and bio-ore production, central Manitoba mine
22. Stratigraphic database and the capital region study
23. 3-D mapping project, south central Manitoba
24. Solution-collapse breccia of the upper Devonian Sagemace Member, Souris River Formation, Winnipegosis area
25. Stratigraphic investigations and corehole drilling program
26. Gravity and magnetic profile along The Pas moraine
27. Aggregate resource assessment
28. Precambrian drill core libraries inventory

MINERAL INDUSTRY SUPPORT PROGRAMS

The Mineral Industry Support Programs are delivered under Manitoba Geological Survey, however, the financial information is reported under Industry Development – Financial Services.

MINERAL EXPLORATION ASSISTANCE PROGRAM

The Mineral Exploration Assistance Program (MEAP) provides financial assistance to eligible companies or individuals who undertaken mineral exploration in Manitoba. The program, established in the fall of 1995, aims to increase exploration and stimulate activities that may lead to the development of new mines. Companies/individuals may qualify for 25% - 35% of eligible exploration expenditures up to a maximum of $400,000.00 per recipient, per fiscal year; depending on the area of exploration. A higher percentage of assistance is offered for projects undertaken in the Northern Superior region of the province, due to remoteness and limited infrastructure. In response to difficult times brought on by the downturn in the mineral industry, MEAP has extended the higher percentage of assistance on eligible expenditures to include the Lynn Lake/Leaf Rapids and Bissett areas. Two offerings are held per fiscal year.

Companies with approved projects under the April 2001 offering had until October 31, 2001 to complete their work, and approved projects under the November 2001 offering had until March 31, 2002 to complete their work. Sixty-five of the original 99 approved projects were completed.

Reviews, Audits and Inspections

To ensure accountability and integrity of the Program, the Department continued to conduct audits and inspections following guidelines developed with the Provincial Internal Audit office. In 2001/02 fiscal year, MEAP selected 14 completed projects from the 2000/01 fiscal year, totalling $745,894.27 or 32% of assistance paid. All of the audits were conducted in March and April 2002. For the 2001/02 fiscal year, 12 site inspections for projects representing $279,616.25 or 10% of the allocated assistance have been completed.

Program Highlights from October 1995 to March 31, 2002

- 101 companies have participated under MEAP representing 297 exploration projects.
- 65 of the 101 companies are considered new to Manitoba including 7 joint venture partners. Of the 101 active companies, 15 are major exploration companies and 86 are junior companies (note: a company is considered a major exploration company if its market capitalization is greater than $100 million).
- $13.3 million of assistance has been issued to 297 completed projects.
- $55.5 million in exploration expenses have been reported.
- Reported exploration expenditures under the Program indicates every $1 million in assistance paid generates $4.2 million in exploration expenditures.

Mineral Exploration Assistance Program 2001/02 Status

Offering	Applications Received	Approved Applications	Proposed Exploration $ in 000's	Assistance $ Allocated in 000's	Projects Completed	Actual Exploration $ in 000's	Assistance $ Paid
01-04-02	51	48	11,914.8	1,375.0	33	6,655.1	1,326.0
01-11-01	52	51	15,316.0	1,325.0	32	4,289.6	1,374.0
TOTAL	**103**	**99**	**27,230.8**	**2,700.0**	**65**	**10,944.7**	**2,700.0**

Note: Projects approved under the November 2001 offering have until June 14, 2002 to file final reports and make application for final payment

Results of Assistance by General Region of Exploration for 2001/02

	Projects	Exploration $ in 000's	Assistance $ in 000's
Northern Superior	32 (33%)	$3,737.2 (34.2%)	$1,086.9 (40.2%)
Flin Flon/Snow Lake	16 (16%)	$934.0 (8.5%)	$231.3 (8.6%)
Lynn Lake/Leaf Rapids	8 (8%)	$792.6 (7.2%)	$220.3 (8.2%)
Southeastern Manitoba	27 (27%)	$1,442.7 (13.2%)	$349.2 (12.9%)
South Central Manitoba	0 (0%)	$0.0 (0%)	$0.0 (0%)
Thompson Nickel Belt & Extension	16 (16%)	$4,038.2 (36.9%)	$312.3 (30.1%)
TOTAL	**99**	**$10,944.7**	**$2,700.0**

MANITOBA PROSPECTORS ASSISTANCE PROGRAM

The Manitoba Prospectors Assistance Program (MPAP) offers grants to prospectors conducting exploration on either their own Manitoba properties or open Crown mineral land. The Program is targeted at increasing mineral exploration in Manitoba to help replenish declining ore reserves. The Program is funded at $125,000 per year and allows individual prospectors to qualify for up to 50% of their prospecting expenditures incurred up to $7,500 per prospector per year. The program also provides 80% of the cost of one return charter flight or $1,500.00 per year, whichever is less, for projects undertaken in more remote areas of the Province. The maximum assistance of $9,000.00 is available per applicant per year.

In 2001/02 the program received 32 applications for grants; 26 prospecting projects were approved under the Program with 15 completed as of March 31, 2002. The total amount of Program funds dispersed for 2001/02 was $90,572.73.

MANITOBA POTASH PROJECT

As partners in the Manitoba Potash Corporation, Potamine Potash Mining of Canada Inc. and the Province of Manitoba hold the development rights to known reserves in the Russell-Binscarth area of southwest Manitoba. The Manitoba Potash Project has sufficient mineable reserves to sustain a world class potash mining and processing operation for over 25 years. Potamine is controlled by Entreprise Minière et Chimique (EMC) of France. The EMC Group is one of the world's leading potash trading companies with extensive experience in the production and marketing of potash.

During this fiscal year, the department continued its efforts to market Manitoba's 49% interest in the Manitoba Potash Project by seeking out potential investors.

ACID RAIN ABATEMENT PROGRAM - FLIN FLON

This program provides financial assistance to Hudson Bay Mining and Smelting Co.,Limited for the construction of environmental improvements to the metallurgical plant at Flin Flon. Modernization of the plant resulted in containment of sulphur dioxide emissions within prescribed limits.

The department continued to monitor exploration commitments by HBM&S and administered the ancillary loan agreement between Manitoba and Saskatchewan.

10-3(a) Manitoba Geological Survey

Expenditures by Sub-Appropriation	Actual 2001/02 $	Estimate 2001/02 FTE	Estimate 2001/02 $	Variance Over (Under)	Expl. No.
Total Salaries & Employee Benefits	3,225.1	64.10	3,444.1	(219.0)	
Total Other Expenditures	1,723.8		1,799.7	(75.9)	
Total Expenditures	**4,948.9**	**64.10**	**5,243.8**	**(294.9)**	

Note: Costs related to the Mineral Exploration Assistance Program (MEAP), Manitoba Prospectors Assistance Program (MPAP), Manitoba Potash Project and the Acid Rain Abatement Program are reflected on page 22.

MINES

OBJECTIVES

The Mines Branch administers legislation governing the disposition of mineral rights (permits, claims and leases), exploration, development, and production of the province's non-fuel mineral resources and the rehabilitation of mines and quarries. The branch comprises three sections; Mining Recording, Mining Engineering and Inspection, and Assessment.

ACTIVITIES/RESULTS

Other activities performed by Mines Branch staff included the continuing compilation of an inventory of the province's aggregate resources and administration of provincial land-use policies that deal with the conservation of aggregate resources. The Branch continued its representation on the Science and Technology Committee (sub-committee of IGWG). Branch staff participated in a number of technical seminars and conferences.

In 2001/2002 the branch entered the ninth year of a substantial program for the rehabilitation of aggregate pits and quarries throughout the province. Under the orphan mine site program work was completed on safety items at Sherridon and the contractor was able to complete 80% of the work at Elk Island and Gods Lake. Under the Mine Closure Regulation, the province's operating mines submitted closure plans and proposals for financial security.

Drafts for amendments to The Mines and Minerals Act were finalized and will go forward in 2002/03.

Mining Recording Section

Mining Recording offices are located in Winnipeg and The Pas with regional geological offices located in Flin Flon and Thompson providing limited mining recording services.

Mining Recording Offices maintain up-to-date records of mineral dispositions and leases and all legal transactions that relate to mineral dispositions and leases as required by legislation. The general public can access the computer data base on mining claims and permits through terminals located in each of the offices.

The Mining Recording Section processes applications for mineral dispositions and leases, monitors and inspects the activities of disposition and lease holders for compliance with requirements of The Mines and Minerals Act and Regulations, and collects fees, rentals, royalties, rehabilitation levies, taxes and cash security deposits payable under the Regulations. The total revenue collected by the Section during the fiscal year 2001/2002 was $3,016.6 and the rehabilitation levy collected, including interest, on the removal of aggregate material was $1,644.6 for the same period.

During the calendar year 2001, 522 mining claims and 54 exploration permits were recorded covering a total of 1,949,920 hectares. In addition, 58 quarry mineral leases, 782 casual quarry permits and 842 registration certificates for private pits and quarries were also issued during the same period. Details of the types of mineral dispositions and leases issued and in good standing in 2001 are shown on pages 52-53.

Mineral Dispositions Issued each calendar year 1998 to 2001

	1998		1999		2000		2001	
	No.	Hectares	No.	Hectares	No.	Hectares	No.	Hectares
Mining								
Mining Claims	594	116,905	1,024	219,077	747	151,445	522	102,684
Mining Exploration Permits	1	47,619	7	232,413	40	1 400,714	45	1,586,161
Special Exploration Permits	3	311,110	8	350,060	5	299,180	9	363,759
Quarrying								
Leases	27	1,096	54	2,560	58	4,108	69	899
Exploration Permits	-	-	-	-	1	126	2	1,093
Casual Quarry Permits	803	-	783	-	782	-	796	-
Peat								
Leases	3	732	12	1,837	17	2,773	-	-
Private Aggregate Registration Certificates	831	-	841	-	842	-	803	-

Mineral Dispositions in Good Standing at calendar year end 1998 to 2001

	1998		1999		2000		2001	
	No.	Hectares	No.	Hectares	No.	Hectares	No.	Hectares
Mining								
Mining Claims	6,809	893,721	6,111	885,784	5,253	742,749	5,243	746,767
Order-In-Council Leases	3,653	120,601	3,653	120,601	3,653	120,562	3,653	120,562
Mining Exploration Permits	14	352,343	10	295,933	17	581,806	41	1,468,098
Special Permits	9	587,136	13	608,437	21	1,142,526	24	1,300,013
Mineral Leases	323	33,599	295	32,687	268	31,705	268	31,705
Potash								
Leases	1	5,787	1	5,787	1	5,787	1	5,787
Quarrying								
Leases	712	34,145	729	35,032	769	38,401	821	38,658
Exploration Permits	-	-	-	-	1	126	3	1,199
Peat								
Leases	118	17,979	128	16,601	142	22,039	140	21,450
Exploration Permits	-	-	-	-	-	-	-	-
TOTAL	11,639	2,045,311	10,940	2,000,862	10,125	2,685,701	10,194	3,734,239

Mining Engineering and Inspection

The primary purpose of the Mining Engineering and Inspection Section is to facilitate and encourage sound exploration, mining and rehabilitation practices in the province consistent with the principles of sustainable development and in compliance with The Mines and Minerals Act. It also provides land management and advisory services in support of provincial legislative and regulatory land use and resource management initiatives. G.I.S. services are provided to industry to assist in the resolution of environmental an land use conflicts, dissemination of non-confidential assessment reports, land use and tenure information.

Staff monitor mining activity in Manitoba to ensure compliance with requirements under The Mines and Minerals Act including licences, registrations, permits, leases, closure plan submissions, royalty/levy charges on production, and environmental operation standards. In 2001/2002 inspection staff conducted 1800 field inspections that comprised the monitoring of mining compliance at quarry lease and casual quarry permit locations, private pit/quarry operations and site rehabilitation projects.

At Sherridon the full scope of rehabilitation work was completed (fence repairs of four open holes and two shaft caps). An inspection of rehab work was carried out and found to be satisfactory.

Dr. C. Ptacek of University of Waterloo carried out studies at Sherridon tailings site to gather hydrogeological and geochemical data. Department of Conservation retained Dr. C.Ptacek and Environment Canada to carryout further investigative work. Stantec Consulting Ltd. of Winnipeg carried out "raw water quality study" and the final report with recommendations was issued in April 2001.

The Technical Advisory Committee (TAC) reviewed and approved the proposal by Dr. Barbara Sherriff of U. of M. on Snow Lake Arsenopyrite Residue Pile. A contract was offered for $45 K. to U. of M. to carryout investigative work on the mineralogical and geochemical analysis of the residue pile. Four diamond drill holes were drilled into the pile to extract samples.

Mines Branch personnel met with Gods Lake Narrows Chief and Council to brief them on rehabilitation work on Elk Island. A comprehensive rehab scope was developed and a contract for $227 K. was awarded to Strilkiwski Contracting Ltd. The majority of the rehab work was completed in 2001/02.

To ensure the safety and the integrity of the impounding structures of the tailings a contract was awarded to AMEC Earth and Environmental to carryout an engineering assessment of the East Tailings Management Area (ETMA) dykes at Lynn Lake. A final report on the study including the findings and the recommendations was issued in January 2002. A Health Risk Assessment Study was awarded to Dillon Consulting for a cost of $300 K by Department of Conservation. In January 2002 the Director of Mines and Chief Mining Engineer met with Lynn Lake Town Council and briefed on the progress of the rehab program. The Province and Viridian have signed a MOU to address the long term environmental issues of the ETMA. Discussions have been ongoing with Viridian and a final agreement between Manitoba and Viridian will be developed by March 2003.

The TAC met in February 2002 on Baker Paton mine site rehab project and a preliminary scope has been developed to rehabilitate the mine site.

Mines Branch staff participated on various interdepartmental technical review committees. Staff took part in judging the Provincial Mine Rescue Competition in Flin Flon.

Several mine closure plans for operating mines and for industrial mineral quarries were reviewed by Mines Branch staff and the closure plans were approved by the Director of Mines.

Ruttan Mine's mine closure plan was received in February 2002. The plan was reviewed by the regulatory authorities and the Director of Mines approved the closure plan. Mines Branch staff are highly involved with Ruttan rehabilitation work.

A program was initiated by Mines Branch in 2001/02 to identify the location, ownership, previous inspections carried out and determine the status of all existing mine sites in the Province. A comprehensive database of all known mine sites is being developed together with a map set consisting of a provincial index map and 30 individual detailed maps showing locations and status of mine sites in Manitoba.

The Platt sheet digitization map project consists of a series of maps used by the industrial minerals sector and Mines Branch staff to maintain records of Quarry Leases and Permits. This project consists of approximately 1100 map sheets. Currently 415 new sheets have been created. These new maps replace outdated sheets which required manual entries for updating land use constraints. The new digital product enables the use of current GIS technology to update land use information required by clients and staff to process various types of mineral dispositions.

The Mines and Minerals Act, proclaimed in 1992, introduced a program to address the rehabilitation of pits and aggregate quarries in the province. Aggregate producers pay an annual levy based on the tonnes that they've produced and this money is set aside in a fund to be used for pit and quarry rehabilitation. On the basis of aggregate production from private and Crown lands in 2001/2002 some $1.5 million was contributed to this Quarry Rehabilitation Fund, with over 124 rehabilitation projects being completed at a cost of $1.2 million. The total number of projects completed since 1992 comprise approximately 4900 hectares of land rehabilitated. All the work has been undertaken through private equipment rental agreements or tendered contracts with private operators, administered and monitored by branch inspection staff.

In response to a large uptake in municipal planning programs initiated under the authority of the Planning Act, section staff provided significant technical support to the municipal land planning processes, and newly created planning districts. Technical reports and mineral resource mapping documenting high quality mineral resources, mineral dispositions and related land tenure information was provided to municipal planning districts. These technical products are used to create land management policy and zoning by-laws. A program to update all land use maps for Agro-Manitoba has been initiated.

Staff participated in and provided policy and technical advice to several Municipal Boards and conditional use hearings to assist these regulatory bodies on land sue and planning matters. A presentation concerning mineral resource management in the Capital Region was made for the Regional Planning Advisory Committee as part of our technical support to large area planning. A total of 1,575 land use proposals, including subdivision applications, Crown land sales, zoning memoranda and Crown surface clearances (leases, permits and other encumbrances) were assessed for land use and tenure conflicts. Technical comments were prepared for all applications in support of the various regulatory land management processes.

Progress towards meeting provincial obligations for Treaty Land Entitlement, Northern Flood Agreement and the Grand Rapids Forebay Agreement in accordance with these legal agreements was made. 158 land selections representing approximately 66,169 hectares were assessed and approved. Land selections containing valid mineral dispositions in good standing were documented and technical support to the related processes was provided. Staff participated in resolving conflicts associated with land selections and also provided procedural and policy advice. New procedures for land selections for the Grand Rapids Forebay Agreement are being developed.

Staff participated in the implementation of the Network of Protected Areas Action Plan and helped identify and assess candidate sites. Technical support to the stakeholder assessment/consultation process was provided by land title research and interpretation, documenting mineral tenure and preparing the legal instruments for withdrawal of Crown mining rights. Special attention was given to Wildlife Management Areas, northern areas of special interest and Crown land in Agro-Manitoba.

Staff participated in policy development for the provincial sustainable development initiative. Major activities included the Code of Practice, Financial Management Guidelines, sustainability indicators and reporting, mineral strategy, East Side of Lake Winnipeg and Shoal Lake Watershed management plan and provided technical support to the COSDI process. The principles and practices of sustainable development were incorporated into several land management plans. Staff also participated in the intergovernmental process for the Shoal Lake Watershed Management Plan.

Technical support was also provided to Crown land planning through activities of the Crown Land Classification Committee. Technical advice regarding resource management, classification and use of Crown land, policy development and suitability of land designations is provided. Land coding for several parcels of Crown land was also completed. Staff participated in several intergovernmental land use committees that deal with land stewardship and resource management.

The Website for sustainable development and land access in the mining sectorwas updated for the departmental web page.

Assessment Section

The Section receives and evaluates reports of required work submitted under The Mines and Minerals Act to ensure compliance with legislation and acceptable industry standards. At first confidential, these reports are eventually transferred to the non-confidential assessment library open to the public. These reports are indexed, microfilmed and scanned. Clients can view reports in our office or on the website. Copies can be obtained from printing them directly from the website or ordering them from the Assessment Library. These reports are available on paper, microfilm or compact disc.

The Section also provides advice to the Review Panel and Administrator of the Mineral Exploration Assistance Program on the merits and validity of the projects, acceptance of final reports and recommendations on payment or non-payment of grants.

The Section monitors mining exploration activities in the province and contributes to the preparation of reports on industry activity. It also acts as liaison between Natural Resources Canada and the mining industry for the gathering of statistics on exploration and production.

	1998	1999	2000	2001
Reports of work added to assessment library	211	114	139	131
Reports transferred to non-confidential status	87	114	106	107
PRIVATE SECTOR:				
Website Visits	-	-	-	1542
Visits	185	139	191	166
Reports examined	1305	746	978	613
Reports duplicated for clients	1135	241	372	357
Microfiche duplicated for clients	3652	555	857	-
CD'S duplicated for clients	-	29	108	3
DEPARTMENTAL STAFF:				
Reports examined	344	190	556	276
Reports duplicated for staff	25	10	7	4
Microfiche duplicated for Winnipeg and Northern Offices	3765	2144	996	3090

10-3(b) Mines

Expenditures by Sub-Appropriation	Actual 2001/02 $	Estimate 2001/02 FTE	Estimate 2001/02 $	Variance Over (Under)	Expl. No.
Total Salaries and Employee Benefits	1,580.8	32.00	1,531.8	49.0	
Total Other Expenditures	524.9		684.8	(159.9)	1
Total Expenditures	**2,105.7**	**32.00**	**2,216.6**	**(110.9)**	

Explanation Number:

1 The under-expenditure is due to a general operating reduction.

Mining Board

The Mining Board is established under the Mines and Minerals Act. The primary function of the Board is the arbitration of disputes between surface rights holders and mineral rights holders with respect to accessing of minerals other than oil and gas. The Board can also hear and resolve disputes between holders of mineral dispositions and between holders and officers of the Department.

In 2001/02 two cases were referred to the Mining Board.

- Delorme vs. Wildcat Exploration Ltd. - cancelled March 25, 2002
- Torch River Mines - resolved by the Mining Board

PETROLEUM

OBJECTIVE

To provide for and encourage the safe and efficient development of Manitoba's oil and gas resources in accordance with the principles of sustainable development.

ACTIVITES/RESULTS

Manitoba's oil and gas sector, though small by national or international standards, is a significant component of the provincial economy particularly in the southwestern part of the Province.

In 2001, Manitoba produced 642 885 cubic metres of oil having a total value of over $135 Million. This is equivalent to about 25 percent of theprovince's refined petroleum products needs. Since there are no refineries in Manitoba all of the Province's production is exported through the Enbridge Pipeline system to refiners in Ontario and the US.

In 2001, the petroleum industry spent almost $91 million in Manitoba to explore for and develop new oil pools, and to operate over 1,900 wells in the province.

It is estimated that the petroleum industry in Manitoba provides direct employment for approximately 300 Manitobans and indirect employment for at least that many people.

In 2001/02, royalties, production taxes and revenue from the leasing of Crown owned oil and gas rights added $6.6 million to the Provincial treasury. Significant revenues were also collected by the province through income taxes, retail sales tax, corporation capital tax, and payroll tax and fuel taxes. In addition, the industry paid about $2.4 million in property taxes to the various municipalities where oil wells and facilities are located.

The Branch administers The Oil and Gas Act and related regulations governing the exploration, development, production, transportation and storage of crude oil and natural gas. The Branch is also responsible for The Oil and Gas Production Tax Act. Additionally, officers and inspectors of the Branch are designated as Workplace Safety and Health Officers under The Workplace Safety and Health Act with respect to oilfield operations. The inspectors also act as industry's first point of contact with regard to oil field related environmental issues.

Amendments to the Drilling and Production Regulation under The Oil and Gas Act were introduced providing more rigorous submission requirements for applications to build new batteries and continue operation of existing batteries. The regulation specifically requires that all oil and gas facilities be operated in a manner so as to comply with Provincial air quality standards and objectives. The amendment also provides a more structured framework to protect worker safety at oil and gas facilities and to ensure that flare systemsare properly designed and operated.

The Branch participated in the Canadian Association of Petroleum Landmen Prospect Exchange in Calgary on April 26 & 27, 2001. This trade show provided an excellent forum for the promotion of investment opportunities in Manitoba's oil and gas resources.

Branch staff also conducted a series of high level meetings with current and potential clients.

The Branch also participated in the 9th International Williston Basin Horizontal Well Symposium in Regina, Saskatchewan on April 29 – May 1, 2001. This symposium provided a forum to discuss horizontal drilling technologies and promote Manitoba's oil and gas resources.

Administration and Geology Section

Administration

Administration is responsible for collection of petroleum revenues and administration of Crown owned oil and gas rights. The section collects annual lease rentals, Crown oil royalties and freehold oil taxes, conducts lease sales and processes lease renewals and extensions. The section is responsible for administering provisions of the Disposition Regulation, the Crown Royalty and Incentives Regulation, the Oil and Gas Lease Agents Regulation and portions of the Drilling and Production Regulation.

Crown Oil and Gas Rights - Four Crown oil and gas lease sales were held in 2001/02. Fifty-eight leases covering 5 860 hectares were sold for a total of $351,707. Revenue collected from Crown oil and gas lease sales was down from the 2000/01 revenue of $901,734.

Since 1979, the province has collected $30,925,705 from the disposition of Crown oil and gas rights. As of December 31, 2000, 97 133 hectares of Crown oil and gas rights were under disposition. Crown leases accounted for 87% of this total with exploration reservations accounting for the remaining 13%. Compared to 2000, the total area under disposition increased by 14%.

The section processed 20 lease renewals, 169 lease surrenders, 16 transfers and two company amalgamations. It also issued 62 new leases.

Data Collection - The section collects monthly oil production data and data on the disposal and injection of salt water for all active wells in the province. As of December 31, 2001, there were 1,986 non-abandoned wells in Manitoba. Digital production and injection histories are available for all wells.

During 2000/01, the section collected $6.4 million from the petroleum industry. This revenue comprised $2.4 million in Crown oil royalties, $3.4 million in freehold oil taxes and $0.8 million from administration of Crown oil and gas rights. The revenue collected was down from the $8.5 million collected in 2000/01.

Manitoba Drilling Incentive Program, (1992-2004) - The Manitoba Drilling Incentive Program provides licensees of wells drilled after January 1, 1992 and before January 1, 2004 a holiday oil volume of production that is exempt from Crown royalties or freehold production taxes; the holiday volume earned is a function of oil price and location of the new well with respect to other wells.

Enhancements to the program, effective April 1, 2001 provide for increased holiday oil volumes for drilling and production of deep wells and changes to encourage reworking of marginal wells and implementation or expansion of enhanced oil recovery projects.

Holiday oil volumes of up to 20 000 cubic metres can be earned by a new well.

In the tenth year of this program, 93 wells earned an average of 4 926.4 cubic metres of holiday oil volume. A total of 248 wells were producing holiday oil under the program in December 2001. In 2001, 24 wells produced their entire holiday oil volume.

Any horizontal well drilled prior to January 1, 2004 receives a holiday oil volume of 10,000 cubic metres. Twenty-nine horizontal wells were drilled in 2001.

Effective November 11, 1995, a marginal well where a workover is completed prior to January 1, 2004 receives a 500 cubic metre holiday oil volume. A marginal well is defined as a well that, over the previous 12 months, has been shut-in or has an average production rate of less than 1 cubic metre per operating day. Major workovers include the re-entry of abandoned wells, deepening or recompletion of existing wells from one pool to another and the repair of the casing in a well. Fourteen wells were producing under the program in December 2001.

A booklet entitled *Manitoba Petroleum Fiscal Regime* providing detailed information on the drilling incentive program, provincial Crown royalties and provincial freehold oil production taxes is available from the Branch.

Performance Deposits and the Abandonment Fund Reserve Account – The section administers trust accounts for performance deposits and the Abandonment Fund Reserve Account. Applications for licences or permits issued under The Oil and Gas Act are required to submit a performance deposit to ensure operations comply with the Act and regulations. These deposits are held in trust until required rehabilitation work has been completed. Approximately $1.2 million in cash, term deposits and letters of credit are administered.

The Abandonment Fund Reserve Account is established under The Oil and Gas Act to ensure sites damaged by oil and gas operations are properly rehabilitated. The fund is generated through levies on licences and permits issued under the Act, inactive well levies and interest. As of March 31, 2002, the balance in the account was $263,942.99. A detailed report on the fund is included on page 63.

Geology

Geology prepares reports on Manitoba's petroleum geology and hydrocarbon potential to encourage and assist in the exploration and development of the province's oil and gas resources. A system for the designation of field and pool boundaries is maintained. As of December 31, 2000, Manitoba had 13 designated oil fields and 158 designated oil pools. Field and pool codes for 98 new wells were assigned during 2001/02.

In addition, Geology provides consultation and assistance to the public and the petroleum industry.

Accomplishments in 2001/02 include:

- published the following new maps for the Stratigraphic Map Series:
  - J-1a Jurassic Erosional Surface: structure contour (1:1 000 000)
  - J-1b Jurassic Erosional Surface: structure contour (1:125 000)
  - KSR-1a Cretaceous: structure contour on Swan River Formation (1:1 000 000)
  - KSR-2a Cretaceous: isopach of Swan River Formation (1:1 000 000)
  - KSR-1b Cretaceous: structure contour on Swan River Formation (1:125 000)
  - KSR-2b Cretaceous: isopach of Swan River Formation (1:125 000);

- submitted a paper entitled "New and Known Petroleum Prospects and Development Opportunities in Southwestern Manitoba" for publication in the proceedings of the Canadian Society of Petroleum Geologists, Jubilee Convention, Calgary, Alberta,
- As part of the Petroleum Working Committee (Coordinator), composed of industry, government and academic petroleum geologists and other industry representatives), evaluated six Wildlife Management Areas for Manitoba's Protected Areas Initiative including Harrison (T.17, R.27-28 WPM), Rivers (T.12, R.20 WPM), Upper Assiniboine (T.13, R.27-28 WPM), Wakopa (T.1, R.18 WPM), Wellington (T.3, R.6 WPM) and Whitewater Lake (T.3-4, R.21-22 WPM)
- Continued enhancement of geological formation tops data base as part of the Manitoba Oil and Gas Well Information System (MOGWIS)
- Commenced conversion Petroleum Branch Well Location Map No. 7 and Pool Location Maps into a geographic information system (GIS) format.

Engineering and Inspection Section

Engineering

Under the authority of the Drilling and Production Regulation and the Geophysical Regulation, Engineering processes drilling licences, geophysical licences and applications to recomplete, suspend, or abandon wells. It also issues permits for all oil and gas facilities. In 2001/02, a total of 104 drilling licences and 4 geophysical licences were issued. In addition, 72 technical well operations applications were processed.

Technical studies are undertaken of oil and gas reserves and enhanced recovery potential. As of December 31, 2001, total and remaining proved developed oil reserves in Manitoba were 37.4 10^6m^3 and 2.51 10^6m^3, respectively. Reserve estimates do not include reserve additions in 2000 and 2001. Two new or expanded enhanced oil recovery (EOR) projectswere approved in 2001/02. These projects qualify for third tier EOR production status and the new injection well incentive program.

Information and advice are provided to the petroleum industry and the public at the Winnipeg, Virden and Waskada offices.

A technical paper entitled "Horizontal Drilling Activity In Manitoba" presented at the 9th International Williston Basin Horizontal Well Workshop in Regina, Saskatchewan.

Inspection

Inspection enforces regulations under The Oil and Gas Act related to geophysical, drilling, production, and pipeline operations. Specifically, the inspectors license and inspect field facilities, investigate complaints, witness specific operations, and interpret and communicate departmental or regulatory requirements to industry personnel. Inspectors are also responsible for carrying out safety and health inspections of petroleum industry operations under The Workplace Safety and Health Act. District offices are located in Virden and Waskada.

Each of the more than 2,000 wells and oil and gas facilities in the provincewere inspected at least once during the year. A total of 630 non-compliance orders were issued in 2001/02 for wells and oil and gas facilities not in compliance with the Act. A total of 172 battery andflowline applications were processed and 120 excavation permits issued. Inspectors visit all abandoned wellsites to ensure that the abandonment and clean up have been conducted properly and that plant growth has been established. During 2001/02, 39 wells were issued a Certificate of Abandonment, allowing for the release of the well from performance deposit requirements. The unit also manages a program of environmental protection involving the reclamation of all oil or salt water spill sites. During 2001/02, 80 spills were inspected. Inspection participates on the steering committee of the Manitoba Producers Oil Spill Cooperative and represents the Department on the Petroleum Safety Council. The unit also takes an active role in the management of oilfield waste and other environmental issues facing the petroleum industry.

The Inspection Unit issued one improvement order and investigated one accident under The Workplace Safety and Health Act in 2000/01. A number of incidents involving hydrogen sulfide and sulfur dioxide gas emissions from wells and oil and gas facilities were investigated.

Digital Information Services Section

Digital Information Services is responsible for development and maintenance of computer systems within the Branch. These systems include a diverse collection of information such as web services, database, GIS, application development, document images and drafting services. Additionally, the section is responsible for conducting special projects as assigned by the Director.

In 2001/02 the section focussed on three major areas: GIS, Internet and the continued development and support of the Manitoba Oil and Gas Well Information System (MOGWIS).

Accomplishments in 2001/02 include

- implemented an image retrieval system based in MOGWIS and using web technology to access reservoir information files
- participated in the movement of technical well files from Paradox to Oracle (MOGWIS)
- undertook a major revision of the Branch's web site necessitated by the Branch's transfer from Conservation to Industry, Trade and Mines in January 2001.
- continued development of a program to assist Administration and Geology in conducting audits of Crown royalty and freehold production tax payments. System development has resulted in the review and modification of a number of administrative processes. The project will be completed during 2002/03
- developed new applications relating to inspection activities, geophysical information and public complaints
- obtained images of the entire suite of open hole well logs for oil and gas wells drilled in the province. This information has been moved to a server and test conducted on usage. Upon Division approval, this information will be made available to Branch staff.
- completed GIS projects including digitally plotting well locations, flowlines, batteries, headers, spills and well and battery site access roads.
- created an internet site for the 2002 Manitoba Oil and Industrial Show.

Abandonment Fund Reserve Account

The Account is established under The Oil and Gas Act. Non-refundable levies on geophysical and well licences, transfer of well licences, battery operating permits and inactive wells are deposited in the fund. The Account is to be used as a source of funds to operate or abandon a well or facility in non-compliance with the Act, where the licensee of the well or facility fails to do so. The fund can also be used to rehabilitate the site of an abandoned well or facility or to address any adverse effect on property caused by a well or facility. An expenditure from the

Account on behalf of a licensee automatically creates a debt of the licensee to the Crown, recoverable in court.

Informational Notice 02-04, dated June 26, 2002 provides more detailed information regarding the Account. This report is available from the Branch and is posted on the Branch's website (www.gov.mb.ca/itm/petroleum)

Abandonment Fund Reserve Account Activity

Opening Balance (April 1, 2001)		**187,597.47**
Deposits		**54,047.25**
Well Licences	24,650.00	
Geophysical Licences	200.00	
Transfer of Well Licences	1,250.00	
Permits	500.00	
Inactive Wells	22,100.00	
Interest	5,347.25	
Expenditures		**(192.00)**
Shannon Oils Ltd. – Abandonments		
Tapp, Phillip 16-Nov-01 Crop loss on NW/4 18-11-26	192.00	
Recovery of Expenditures		**22,490.27**
Shannon Oils Ltd. – Abandonments		
Queen's Bench 29-Jan-02 Garnished	5,755.76	
Shannon Oils Ltd. 01-Feb-02 Payment	4,000.00	
Queen's Bench 18-Feb-02 Garnished	4,734.51	
Shannon Oils Ltd. 01-Mar-02 Payment	4,000.00	
Shannon Oils Ltd. 31-Mar-02 Payment	4,000.00	
Closing Balance (March 31, 2002)		**263,942.99**

Minister's and Director's Approvals

Under The Oil and Gas Act, the Minister and the Director of Petroleum have authority to issue orders relating to drilling, production, storage and transportation of oil and gas. The Minister has authority to make orders relating to well spacing, enhanced recovery maximum production rates, seizure of wells and facilities and to enter into Unit Agreements on behalf of the Crown. The Lieutenant Governor in Council has delegated parts of this authority, under Order in Council 384/2001, to the Director where the circumstances are considered routine. The Director has authority to issue orders relating to salt water disposal, designation of field and pools, designation of new oil status and to effect the seizure of wells and facilities of a non compliant operator pursuant to a Ministerial Seizure Order.

In 2001/02, the following Ministerial Orders were issued:

Validation of Agreements Order No. 3	April 3, 2001	Landowners Oil Company Limited
Validation of Agreements Order No. 4	June 25, 2001	Rideau Petroleums Ltd.
Waterflood Order No. 11*	June 26, 2001	EOG Resources Canada Inc.
Spacing Order No. 14*	June 26, 2001	EOG Resources Canada Inc.
Waterflood Order No. 12*	June 29, 2001	EOG Resources Canada Inc.
Seizure of Wells and Facilities	October 3, 2001	Oilex Exploration Corp.
Spacing Order No. 15*	November 1, 2001	EOG Resources Canada Inc.
Seizure of Wells and Facilities	November 22, 2001	Mead Petroleums and Farms Ltd.
Seizure of Wells and Facilities	December 21, 2001	Fawn Petroleums Ltd.
Cancellation of Crown Oil and Gas Lease	December 21, 2001	Oilex Exploration Corp.
Cancellation of Crown Oil and Gas Lease	March 28, 2002	Fawn Petroleums Ltd.

* order made by Director of Petroleum under delegation.

In 2001/02 the Director of Petroleum made the following orders:

SWD Permit No. 179	June 13, 2001	Kiwi Resources Ltd.
SWD Permit No. 180	July 16, 2001	Tundra Oil and Gas Ltd.
SWD Permit No. 181	August 15, 2001	Albchem Manitoba Ltd.
SWD Permit No. 182	September 20, 2001	Tundra Oil and Gas Ltd
SWD Permit No. 183	October 25, 2001	Tundra Oil and Gas Ltd
SWD Permit No. 1	November 14, 2001	Tundra Oil and Gas Ltd
Execution of Seizure	November 19, 2001	Oilex Exploration Corp.
SWD Permit No. 184	December 7, 2001	Tundra Oil and Gas Ltd
Execution of Seizure	February 1, 2002	Mead Petroleums and Farms Ltd.
Execution of Seizure	March 5, 2002	Fawn Petroleums Ltd.

Petroleum Industry Overview – 2001:

New Wells Drilled	103
Oil Production	642 884 m^3 (4,045,604 bbls)
Value of Oil Sales ($million)	$135.0
Average Selling Price	$214.67.16/$m^3$ ($34.11/bbl)
Wells Producing - December 2000	1267
Estimated Industry Expenditures ($million)	$90.8

More comprehensive information and historical statistics on Manitoba's petroleum industry are presented in the Oil Activity Review available from the Petroleum Branch. The 2001 edition is scheduled for release in August 2002.

10-3(c) Petroleum

Expenditures by Sub-Appropriation	Actual 2001/02 $	Estimate 2001/02 FTE	Estimate 2001/02 $	Variance Over (Under)	Expl. No.
Total Salaries & Employee Benefits	1,006.4	21.00	1,032.4	(26.0)	
Total Other Expenditures	357.8		342.1	15.7	
Total Expenditures	**1,364.2**	**21.00**	**1,374.5**	**(10.3)**	

COMMUNITY AND ECONOMIC DEVELOPMENT

COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE

OBJECTIVES

The Community and Economic Development Committee (CEDC) is the Cabinet committee responsible for initiation and co-ordination of community and economic development activity. CEDC is comprised of six senior cabinet ministers, and is chaired by the Premier.

The CEDC Secretariat provides analytical expertise and administrative support to the Committee. Staff assist the Committee in the development and implementation of policy and projects consistent with the community and economic development priorities of Government. In co-operation with departments, community and business leaders, the Secretariat provides CEDC with the necessary supports and analysis to ensure responsible economic growth and sustainability for the Province of Manitoba.

ACTIVITIES/RESULTS

Some of the specific results achieved through the involvement of the Secretariat were:

Downtown Winnipeg Revitalization - Ongoing co-ordination of cross-departmental efforts to encourage economic and cultural development in downtown Winnipeg. Initiatives include the True North Centre, Red River College on Princess Street, CentreVenture, the Millennium Library, Waterfront Drive, Ashdown Hardware Building for Contemporary Dancers and the Conservatory of Music, the completion of the Manitoba Museum, and others.

Simplot - Co-ordination of inter-departmental and inter-governmental supports to assist the construction of a potato processing plant in Portage la Prairie, Manitoba. The $150 million plant will provide 400 indirect and induced jobs and $2.2 million in local taxes in Portage.

New Flyer - Co-ordination of provincial involvement in the financial restructuring of New Flyer Industries. The Province provided a $20 million loan to the new owners as part of an overall $85 million re-capitalization of the company to secure the long-term future of New Flyer Industries in Winnipeg.

Motor Coach Industries – Co-ordination of provincial negotiations on a financial assistance package for Motor Coach Industries for the consolidation/expansion project at its plant in Winnipeg.

Food Development Centre - Co-ordination of inter-departmental efforts to further develop the Food Development Centre in Portage la Prairie and to bring the TetraPak facility to the Centre, representing a $4.5M investment and 12 jobs.

Keystone Centre - Facilitation and co-ordination of a Board restructuring at Brandon's Keystone Centre, initiation of a long term strategic and capital planning process, and negotiation of a long term operating and capital support package to the Centre.

Northern Development Strategy – Co-ordination of inter-departmental activity, resources and services being planned for, and delivered to, Northern Manitoba, with a focus on housing, health, transportation, employment and training and economic development.

Winnipeg Hydro - Support to Manitoba Hydro in their purchase of Winnipeg Hydro. The consolidation of the two corporations will result in a greater competitive advantage for Manitoba Hydro, ensuring that the benefits of hydroelectric exports further support economic development in Manitoba. The purchase arrangement includes the construction of a new 400,000 sq. ft. downtown headquarters for Manitoba Hydro.

Leaf Rapids / Lynn Lake - Co-ordination of cross departmental efforts to assist with community and labour adjustment activities in response to mine closure in the northern Manitoba communities of Leaf Rapids and Lynn Lake.

Community Economic Development Initiative - Co-ordination of inter-departmental efforts to support Community Economic Development (CED) by establishing policies and programs in line with the provincial government's CED Lens. The CED Initiative partners with community groups to develop inter-sectoral supports to assist communities in their efforts to build social, human and financial capital in marginalized communities.

First Nations Limited Partnership / Tembec Joint Venture Forestry Project - Negotiations with proponents to build a new sawmill and operate a shared forest stewardship company, to enable First Nations and industry to share in the benefits and responsibilities of forest economic development and forest stewardship. The $70 million sawmill will create 125 jobs at start-up.

Northern Forest Diversification Centre - Co-ordination of interdepartmental support for the Northern Forest Diversification Centre (NFDC). The NFDC is a demonstration project of Keewatin Community College that supports community economic development in the north. The NFDC works with local residents to promote and support economic opportunities based on natural / wilderness based resources, such as non-timber forest products, in ways that are sustainable and create maximum benefits for locals residents.

Red River Floodway - Continued co-ordination of inter-departmental planning and public consultations toward a major flood-protection project for the City of Winnipeg.

XVII World Congress of International Society for Heart Research - Co-ordination of inter-departmental supports to the 2001 Congress which attracted over 1700 delegates from 74 countries.

Clinical Research Institute at the St. Boniface Hospital (Asper Institute) - Co-ordination of inter-departmental supports to assist the construction of a $15 million clinical research institute at the St. Boniface Hospital, now known as the IH Asper Clinical Research Institute.

Cultural Industries Support - Co-ordination of inter-departmental efforts to further develop Manitoba's film, video and sound recording industries through additional funding for film and video equity investment funds and a joint marketing and business development initiative funded from the Canada – Manitoba Economic Development Partnership Agreement.

True North Centre - Ongoing facilitation and co-ordination of interdepartmental support for a $125 million downtown Winnipeg sports and entertainment complex. The project will create an estimated 1600 person years of direct and indirect employment during construction.

CanWest Global Communications – Co-ordination of provincial negotiations with CanWest Global Communications on a provincial/City of Winnipeg financial incentive package which resulted in the company agreeing to consolidate its administrative, call centre and specialty channel operations in Winnipeg and to establish 1200 jobs over 4 years.

10-4(a) Community and Economic Development Committee

Expenditures by Sub-Appropriation	Actual 2001/02 $	Estimate 2001/02 FTE	Estimate 2001/02 $	Variance Over (Under)	Expl. No.
Total Salaries & Employee Benefits	689.2	10.00	738.7	(49.5)	
Total Other Expenditures	286.9		367.5	(80.6)	1
Total Expenditures	**976.1**	**10.00**	**1,106.2**	**(130.1)**	

Explanation Number:

1. Operating expenditures were less than budgeted.

PREMIER'S ECONOMIC ADVISORY COUNCIL

OBJECTIVES

The Premier's Economic Advisory Council (PEAC) is a group of 34 volunteers invited by the Premier to provide him with economic advice that is future and action oriented, and that builds on the advice developed during the Spring 2000 Manitoba Century Summit. In the announcing press statement of November 2001, the Premier said:

> *"The establishment of the Premier's Economic Advisory Council will be an important opportunity for dialogue on crucial economic issues and creative thinking on the challenges and strengths of Manitoba as we move further into this new century."*

ACTIVITIES/RESULTS

The following Task Groups, comprised of Council members and 23 additional volunteers, were established and met regularly.

Investment - methods to increase levels of capital investment and re-investment in Manitoba in order to ensure appropriate levels of investment for Manitoba's future economy.

Labour Force Development & Retention - Manitoba's need for increased numbers of skilled workers for the future economy.

Immigration - Manitoba's desire for increased immigration and how, in light of new Federal Legislation and Regulations this may be most successfully achieved.

Natural Resources as Economic Drivers - examining how Manitoba can best use its natural resources as economic drivers to build its economy and to do so in anticipation of a future marked by the Kyoto Accord.

Research - examining ways to enhance research and development in Manitoba including more effective commercialization.

Image - Manitoba's Image and its underlying importance to all areas of Manitoba's future success; how Manitobans view themselves and how others view Manitoba.

10-4(b) Premier's Economic Advisory Council

Expenditures by Sub-Appropriation	Actual 2001/02 $	Estimate 2001/02 FTE	Estimate 2001/02 $	Variance Over (Under)	Expl. No.
Total Salaries & Employee Benefits	55.8	2.00	133.4	(77.6)	1
Total Other Expenditures	30.4		240.0	(209.6)	1
Total Expenditures	**86.2**	**2.00**	**373.4**	**(287.2)**	

Explanation Number:

1 The administrative staff was hired late in the fiscal year resulting in lower than budget salary and operating costs.

RESEARCH, INNOVATION AND TECHNOLOGY

RESEARCH, INNOVATION AND TECHNOLOGY

OBJECTIVES

Manitoba Research, Innovation and Technology (RIT) was established in 2001, to provide Manitoba with a comprehensive, integrated and co-ordinated approach to innovation, research and technology initiatives.

The Department provides a focus for:

- research, innovation and technology policy development and co-ordination;
- knowledge based industry development and growth;
- community connections

RIT's mission is *to promote and enhance a climate of research, innovation and technology development that spurs responsible economic development for the benefit of all Manitobans.* Its objectives are to:

- Develop public policy initiatives in support of research, innovation and technology development.
- Develop a provincial innovation infrastructure.
- Build and strengthen the research and innovation capacity within the province.
- Build community capacity for sustained economic development in the new economy.
- Build the capacity for new company formation and growth.
- Co-ordinate the implementation of public policy initiatives in the areas of research, information technologies, and investments.

The Division relies on the skills and expertise that already exists in government and does not duplicate efforts already being undertaken in other departments and branches. To meet its objectives, the Division has responsibilities related to:

Policy development
RIT has the responsibility for developing and leading the provincial innovation and research strategy, provincial technology strategies, and any other strategies related to knowledge based industry development, science and technology. The Division operates within a consultative and collaborative model to ensure that comprehensive strategies are developed.

Program delivery
RIT is responsible for:

- Creating an active and positive environment for business and investment in Manitoba. RIT assists knowledge-based companies with the identification of opportunities for innovation and strategic partnerships to support their growth. RIT also supports the transfer and incorporation of new and enabling technologies and promotes investment in research and development. Through Invest Manitoba, RIT provides growing Manitoba companies with the opportunity to give short presentations describing opportunities to investors and hold educational seminars providing further assistance, support and networking opportunities for the small-to medium-sized businesses.

- Creating 440 additional public Internet access sites across Manitoba through the Community Connections Program.
- Encouraging science and technology (S&T) awareness and education through the Manitoba Network for Science and Technology (MindSet).
- Administering various funds that support research, innovation and technology including:
- Manitoba Innovations Fund - The mandate is to increase the capability of Manitoba's universities, colleges, hospitals, and other not-for-profit institutions to carry out important world-class scientific research and technology development.
- Research and Innovation Fund - The Fund is to be used to support institutional innovation activities and bringing technologies to the market place. Funding will be flexible depending on the type of project and the project requirements and is to be catalytic.
- Health Research Initiative – The objectives of the fund are to assist Manitoba's health research centres in attracting more health research funding to the province and to increase research and development activities in Manitoba and facilitate sustained economic growth and the creation of high quality jobs.
- The objectives of the Manitoba Centres of Excellence Fund (MCEF) are to attract and maintain world-class R&D activity in Manitoba and to generate related economic spin-off benefits for local companies and non-profit institutions.
- Science Fairs/Education Grants provides funding to schools and school divisions to support various science fairs across Manitoba.

Co-ordination of government initiatives

RIT's co-ordination function is one of consultation rather than direct authority over programs and initiatives to ensure that overall government objectives for research, innovation and technology development are addressed. This allows for programs to continue to benefit from the expertise, direction and accountability within their current departments.

ACTIVITIES/RESULTS

I.H. Asper Clinical Research Institute

In 2001, the St. Boniface General Hospital announced the construction of a new $25 million cardiovascular research centre – one of only three in Canada – that will conduct human trials on cutting edge pharmaceuticals for heart disease and stroke. This facility to be known as the I. H. Asper Clinical Research Institute will provide a bridge between the basic medical research programs at the St. Boniface General Hospital Research Centre and patient care. The province of Manitoba contributed $5 million towards the construction of the 100,000-square-foot facility, which is expected to generate $52.3 million in economic impact when fully operational in 2003.

Functional Foods and Nutraceutical Centre

In November 2001, the University of Manitoba announced the construction of a $25.0 million state-of-the-art nutraceutical and functional food research and development facility. The new facility will house researchers from several disciplines, including the faculties of Agricultural and Food Sciences, Human Ecology, Medicine and Pharmacy. Research projects will range from extracting the beneficial components of food more efficiently to food safety, quality control, processing, packaging and delivery of the products. The Province of Manitoba and Western Economic Diversification have each committed $6.0 million toward capital and equipment costs for the facility.

BIO 2001 International Biotechnology Conference

In June 2001, Minister Mihychuk led a 27-member delegation comprised of representatives from the industry, research, academic and investment communities to the world's largest biotechnology conference, Biotechnology Industry Organization (BIO) 2001 in San Diego, California. The event attracted in excess of 14,000 delegates from 30 countries. The event was successful in promoting Manitoba's biotechnology expertise, infrastructure and activities to companies and research institutions that want to develop or expand their contacts in Canada. Manitoba received considerable recognition from the other Canadian provinces for its commitment to biotechnology as a future economic priority of the province. In addition to meeting with biotechnology industry front-runners, researchers and potential investors, the mission assisted the province in identifying a strategy for effectively participating in BIO 2002, which will be hosted in Toronto. The Department is in the process of planning to participate in a provincial pavilion at BIO 2002 in association with the province's biotech companies and research institutes. Twelve booth spaces on the exhibit floor have been secured for the 2002 conference.

Biotechnology Mission to Western Europe

Over the past year, RIT led a biotechnology mission to Western Europe to explore opportunities for collaborative research projects between European and Manitoba biotechnology stakeholders. The positive response and business development opportunities identified have resulted in follow-up discussions with two German companies interested in expanding their research programs into Manitoba – NPZ Lembke and the Max-Delbruck Centre for Molecular Medicine.

TRLabs

In March 2002, the Government announced an investment of $2.4 million in TRLabs' Winnipeg facility. The Government and TRLabs agreed on new commercially focussed targets for the organization including the commercialization of research, creation of spin-off companies, increases in SME membership and in the number of personnel trained and retained within Manitoba.

SmartCentre

SmartCentre is a community-based organization with a mandate to stimulate economic and workforce development in the ICT sector in Winnipeg and Manitoba. The governments of Canada, Manitoba and Winnipeg have agreed to jointly fund the development of a detailed Business Plan. The SmartCentre will:

- Collaborate with business and post-secondary institutions to formalize partnerships that will be of mutual benefit to both students and companies.
- Serve as a central resource for programs and services for incubation facilities.
- Foster business development and encourage entrepreneurship by assisting businesses in

their early stages with resources and the opportunity to co-locate their office with other ICT firms and share resources.

- An e-business development centre will facilitate partnerships between local IT businesses to create leading edge technologies and intellectual that is marketable outside Manitoba.

Dr. Robert Cross Study of Manitoba's ICT Sector

Research, Innovation and Technology Division, in partnership with Economic Development Winnipeg and Western Economic Diversification, supported a study undertaken by Manitoba Innovation Network and conducted by Dr. Robert Cross of REC Associates on the "Conditions for Growth, Retention and Attraction in Manitoba's ICT Sector". This study, analysis and recommendations will provide invaluable information on activities and initiatives that are necessary to generate economic growth within Manitoba's ICT sector. The study included participation from approximately 200 respondents from within various subsectors in ICT.

International Computer Driving License (ICDL)

Red River College opened the first Test Centre for ICDL in Manitoba in January 2002. With support from Research Innovation and Technology and the Manitoba IT Industries Association, Red River College became the first certified test site in Manitoba that would allow participants to obtain accreditation as to the level of their computer skills and IT knowledge. The College completed a pilot project in ICDL in March 2002 utilizing 20 new students registering for the College's spring programs. The ICDL program is currently being offered by Red River College's Continuing Education Division.

Avalon Institute of Applied Science Inc.

The Avalon Institute is Manitoba's first privately funded academic institution that specializes in research, consulting and training in Environmental Science, Geological Sciences, Biological Sciences, Biotechnology, Engineering, Automation Systems and Information Technologies RIT is assisting Avalon in establishing itself in the local scientific and academic community.

Climate Change and Industry Activities

In response to the Manitoba Climate Change Task Force Report, RIT is leading the Province's interaction with the private sector. A series of meetings to identify the challenges and opportunities facing Manitoba businesses are planned for the new fiscal year. To date the industry associations that have expressed interest in participating are: Business Council of Manitoba, Manitoba Chamber of Commerce, Winnipeg Chamber of Commerce, Canadian Manufacturers and Exporters, Manitoba Environmental Industries Association, Manitoba Ozone Protection Industry Association, Winnipeg Construction Association, Manitoba Heavy Construction Association and Economic Development Winnipeg.

Going Green Conference and Trade Show

The provincial Sustainable Development Act requires the Province to develop and implement socially and environmentally responsible procurement practices. RIT is assisting all three levels of government and the Centre for Indigenous Environmental Resources in the planning and delivery of a conference and trade shows scheduled for June 3, 2002. The event is targeting all levels of government and big business. It is expected to include a VIP breakfast with keynote speaker Ray Anderson of Interface Flooring, a US Fortune 500 company. The conference is hoping to attract 300 delegates.

Household Hazardous Waste Regulation

Manitoba Conservation is proposing a Household Hazardous (HHW) Waste regulation. The proposed regulation targets 11 categories including batteries, consumer paint products, corrosives, liquid fuels, domestic pesticides, pharmaceuticals, pressurized-flammable gas containers, solvent and flammable liquids, swimming pool chemicals, consumer electrical and electronic equipment and products containing mercury. Consumer electrical and electronic equipment is defined as televisions and video display equipment, personal computers, laptop and portable computers, monitors and computer accessories (i.e. printers, scanners, data storage devices). RIT and Manitoba Conservation are collaborating to engage Manitoba's consumer electrical and electronic equipment businesses.

Kraus Group

RNG Group Inc. of Ontario was placed under the management of a banking consortium in May 2001 and placed into receivership with Price Waterhouse Coopers in February 2002. RNG owned Kraus Group of Winnipeg which closed its doors and laid off approximately 120 staff. Major contracts in China ($6 million) and in India ($8 million) were left incomplete. A variety of Manitoba-based and external investors expressed aggressive interest in both Kraus' assets and the company. The former management team hired KPMG to assist them formulate a bid. The Province is considering a request for a $5.0 million loan under the Manitoba Industrial Opportunities program. Benefits to the province include the preservation of 130 jobs and the development of hydrogen refueling capabilities. Negotiations did not conclude before March 31, 2002. RIT continues to serve as the key industry development contact.

Manitoba Climate Change Task Force

RIT seconded a full time staff to the Manitoba Climate Change Task Force. The final reportwas released in September and was positively received by Premier Doer. The Premier publicly expressed his intention to accept and act on all of the recommendations in the report.

Manitoba Environmental Industries Survey

RIT is collaborating with civic, provincial and federal government offices to create a comprehensive survey of the environmental industries sector in 2002. The survey is expected to focus on training, innovation and R&D statistics of approximately 300 companies. RIT will provide a base list of companies. A Request for Proposal has been prepared for private firms. The analysis will be done in co-operation with the Prairie Centre for Business Intelligence.

National Air Improvement and Climate Change (NAICC) – Technology Working Group

RIT represents Manitoba on the national Technology Working Group established to identify and foster key technologies that reduce greenhouse gas emissions. National meeting were held in November and February to identify key emerging technologies. Manitoba has been requested to champion biomass and biofuels. RIT is communicating with EDI to identify a strategy.

Palliser Furniture

Palliser Furniture is preparing a draft Feasibility Studies request for RIT's review. As part of its growing environmental management system, Palliser is considering adapting a biofiltration system to address its VOC emissions. Existing Financial Services programmes have not assisted with pollution prevention activities in the past. The Community Economic Development orientation offers an opportunity to re-explore this type business assistance.

Power Smart Eco-Efficiency Solutions

The RIT Division has worked in partnership with Manitoba Hydro, Manitoba Conservation, NRC, IRAP, NRC and Environment Canada to develop this pilot project. The goal of the program is to complete detailed eco-efficiency assessments at 15-20 Manitoba industrial facilities by

March 31, 2003. Early results suggest that fewer companies will participate. Manitoba Hydro reviewed its budget and determined that RIT's allocation of $10,000 would not be required for the pilot.

New Media Centre of Excellence

Research, Innovation & Technology is examining the establishment of a world-class New Media Centre of Excellence to promote and develop research, technological innovation and new products within the New Media industry which will lead to the creation of new jobs, provide important social and economic benefits to the province and enhance new employment opportunities in science & technology for the youth of our Province. Such a centre will provide a focal point for the New Media Industry and other stakeholders in Manitoba, encompassing industry, government and educational institutions.

Color Ad Packaging Inc.

Color Ad Packaging Inc., an affiliate of Sterling International Group Inc. of Huntersville, N.C., commenced production in a new plant in the St. Boniface Industrial Park to manufacture flexible packaging materials for the North American beverage industry. Total investment involved for the new building and equipment is $10 million with expected employment exceeding 50 within the first five years.

Color Ad received a $4.4 million secured repayable interest-bearing loan from the Manitoba Industrial Opportunities Program (MIOP). Color Ad is spending approximately $6.6 million toward specialized equipment for this venture and will fund an annual payroll of about $2.36 million. With its parent company, Color Ad also acquired a local printing firm with a staff of 30.

Virtual Reality Centre (a division of the Manitoba Industrial Technology Centre)

With the official opening of the VR Centre in December 2001, marketing efforts were underway to attract a number of representatives from industry to participate in pilot projects to develop VR models for specific needs in their respective industry. To date, the interest has been overwhelming in a number of industry sectors. RIT and the ITC in partnership with IRAP are currently working on project proposals from four manufacturing firms; an urban planning and architecture firm; an engineering consulting firm; as well as Manitoba Hydro. The VR projects are in progress with a number of demonstration models expected to be complete in the fall of 2002. RIT, in partnership with ITC and IRAP, are also in the process of developing collaborative approaches with the University of Manitoba, Red River College, IMTI (London, Ontario) and industry associations such as the CME in the development and application of VR Technology to meet future industry needs.

Eastern Manitoba Region Economic Development

Research Innovation and Technology has continued to work with the communities in the Eastern Region of Manitoba and primarily Pinawa to develop an economic development strategy. The strategy is aimed at generating economic growth to offset the losses resulting from the downsizing of AECL at the Whiteshell Labs site. RIT in partnership with Intergovernmental Affairs, the LGD of Pinawa and the Eastman Regional Development Corporation, has assisted the region in undertaking a labour force study conducted by Probe Research. The study was conducted to determine the skill sets and population demographics in the region to assist in the development of the regional economic development strategy.

COMMUNITY CONNECTIONS

In a Memorandum of Agreement (MOA) announced on March 7, 2000, the Governments of Canada and Manitoba agreed to provide joint funding of up to $11.1 million to increase the number of public Internet access sites in Manitoba to 586. Manitoba assumed a leadership role in the development of a province-wide, Internet-based infrastructure system that provided greater public access to government and community-based information and services.
In 2001/02 Community Connections established 550 new public Internet access sites throughout Manitoba.

Together with the legacy Industry Canada CAP sites over 650 Manitoba organizations are now providing public access.

Of the 550 new sites 200 have been established in Winnipeg, 53 in Northern Manitoba and 297 in rural Manitoba. Sites are established in a variety of community organizations. The capacity of all public libraries has been significantly increased. Also of note is that 24 rural Canada Post Offices have been included in this initiative with the specific objective of making their EPOST services available throughout Manitoba.

Access site providers also participate in the development and sponsorship of community homepages to publish community information and content.

Access site providers and community content providers are supported by youth employees and through two help desks (English and French) that have been established to provide both technical and CIMNET application assistance.

BROADBAND

Since its creation in September 2001, the Broadband Project Office has been active on several fronts in terms of partnership development with the private sector and community based organizations in order to provide high speed internet/Broadband solutions to various regions of the Province where that service does not currently exist.

A project proposal was submitted to this department in August of 2001 by Global Wireless Networks of Vancouver on behalf of the Churchill Community Network (CCNET) to explore the possibilities of developing Broadband capability for this northern community. As a result of the partnership developed between government, community and private sector stakeholders, CCNET will deploy its network on July 26, 2002. The satellite/wireless solution will provide both commercial and residential customers with a reliable 2Mbps high speed Internet service. This community owned ISP model would be the first of its kind in Manitoba and as a model for use in other northern or remote communities within the province.

In terms of the current state of broadband deployment (high speed Internet delivery) the Province of Manitoba is pursuing a demand orientated Anchor Tenancy model. This is supplemented by the establishment of a government office to work with communities towards aggregation of demand for delivery by various service providers. The primary goal of this government's strategy is to utilize government and community demand to build a business case for service providers to deliver high-speed access. The most significant current initiative is the establishment of the Next Generation Provincial Data Network (PDN) at a projected delivery cost of $47.3 million over the next five years.

It is this Province's vision to utilize high speed Internet connectivity to secure all of those economic and social benefits available through the use of information and communications technologies for the benefit of all Manitobans.

The Manitoba Smart Network, through joint investment of $3.7 million Provincial and $4.5 million Federal respectively, is currently developing a regional Manitoba community network connecting the five rural centres of Brandon, Minnedosa, Neepawa, Carberry and Souris. By sharing the same technology and resources as their counterparts in larger centers, these communities will receive economic and social benefits without parallel.

As directed by the Community Economic Development Committee of Cabinet, the Research Innovation Technology division of Industry Trade and Mines in conjunction with Manitoba Education Research Learning Information Networks, is developing a business case to provide High-Speed Internet access to all Manitoba schools. High Speed in this case is defined at 2Mbps synchronous, the data processing rate needed for real-time video. The business plan will explore four strategies in detail along with the associated infrastructure related costs required to provide last mile solutions.

MANITOBA NETWORK FOR SCIENCE AND TECHNOLOGY (MINDSET)

In 2001/02 MindSet activities included support for a co-ordinator and involvement in a variety of year-round science and technology awareness activities. MindSet is actively involved with various programs including: Aventis Biotechnology Challenge; Digitized Student Technology Conference; Summer Institutes (e.g. Microsoft Teacher Mentorship, new media, biotechnology and agtech); MindSet Web-Site, Manitoba Science and Technology Achievement Event and support for various science fairs.

MANITOBA INNOVATIONS FUND (MIF)

Since 1998, MIF has provided a total of $21.6 million in funding to researchers for the purchase of equipment that enhances the province's research infrastructure. Funding is available for projects that coincide with Provincial priorities, including the development of a strategic partnership with the Canadian Foundation for Innovation (CFI). In 2001/02, 56 projects received $6.6 million in funding through the MIF. A total of $866 thousand was allocated to 24 projects through the Regional Partnerships Program jointly funded by the Canadian Institutes for Health Research (CIHR). The remaining $5.73 million was used to fund 32 projects at the Universities of Brandon, Manitoba and Winnipeg and the St. Boniface Hospital Research Centre. This leveraged an additional $5.73 million in matching contributions from CFI in 2001/02.

Among the numerous projects funded in 2001/02, MIF supported Ronald Dong at Brandon University in the establishment of a Nuclear Magnetic Resonance (NMR) spectrometer facility. The NMR facility has wide application including understanding the organic composition of soil, as well as allowing researchers to further develop expertise in the field of LCD technology, which is currently led by Japan and the U.S. The Province also provided funding for Dr. Frank Plummer to provide infrastructure that will support and accelerate the rate of projects requiring gene sequencing. This funding will support the development of a Human Genomics and Health Platform at the University of Manitoba, which is part of the Prairie Genome Centre and in particular support the researcher's work on HIV-1.

HEALTH RESEARCH INITIATIVE (HRI)

HRI funding, totalling $3 million was provided to the five research centres in 2001/2002. The program funds were apportioned to each centre according to a formula that has been used consistently since the program's inception as a pilot project in 1996/97.

In 2000/01, R&D revenue and overhead costs for the five research centres was $53.54 million and $6.45 million, respectively. Based upon the HRI funding formula, total overhead support was projected at $5.99 million for 2001/02. With a program funding cap of $3.0 million, the allotments payable to each research centre were proportioned down to the total HRI funding appropriation. According to this rollout mechanism, payments to each HRI participant in 2001/02 were as follows:

CancerCare Manitoba	$ 337,642.36
	$ 133,764.11
Children's Hospital	
Health Sciences Centre	$ 422,486.76
St. Boniface General Hospital Research Centre	$ 815,080.97
University of Manitoba	$1,291,025.80
TOTAL:	**$3,000,000.00**

RIT surveyed the five centres during FY2001/02 as part of an effectiveness evaluation, requesting data on a number of key indicators. These indicators included:

- Research revenues from outside sources
- Staff numbers
- Student numbers
- Start-up companies
- Commercialization and licensing agreements signed
- Grant applications submitted and accepted

The survey results reflect actual results from 1998/99 to 2000/01, and projections for 2001/02 and 2002/03. Some of the key results included:

- Continued increases in outside funding received
- Increased success rate in grant applications
- A total of 320.8 staff positions created or projected from 1998/99 to 2002/03
- 23 start-up companies projected in total for the five-year evaluation period
- A 185% increase in partnering activities projected from the beginning to the end of the evaluation period.

MANITOBA CENTRES OF EXCELLENCE

The national headquarters for the Intelligent Sensing for Innovative Structures (ISIS) network that conducts R&D on advanced composite materials and electronic sensors for construction engineering projects such as bridges and earthquake resistant buildings is located at the University of Manitoba. New projects are to be undertaken in sustainable forest management, the mathematics of information technology and complex systems, and arthritis.

During 2001/02 MCEF support totalling $410,000 was provided to the following projects and leveraged federal support at the 5:1 ratio:

- Canadian Genetic Disease Network
- Micronet
- Institute for Robotics and Intelligent Systems
- Canadian Institute for Telecommunications Research
- ISIS Canada
- HEALNet

- Sustainable Forestry Management
- MITACS
- Canadian Arthritis Network
- Vaccines and Immunotherapeutics of Cancer & Chronic Viral Diseases (CANVAC)
- Canadian Stroke Network (CSN)
- Phase IV awarded Networks

10-5 (a) Research, Innovation and Technology

Expenditures by Sub-Appropriation	Actual 2001/02 $	Estimate 2001/02 FTE	Estimate 2001/02 $	Variance Over (Under)	Expl. No.
Total Salaries & Employee Benefits	991.0	21.00	1,449.6	(458.6)	1
Total Other Expenditures	672.2		705.5	(33.3)	
INDUSTRY SUPPORT PROGRAMS					
Manitoba Innovation Fund	6,587.2		7,000.0	(412.8)	
Research and Innovation Fund - Grant	409.5		1,250.0	(840.5)	2
Health Research Initiative	3,000.0		3,000.0	0.0	
Manitoba Centres of Excellence Fund	410.0		410.0	0.0	
Science Fairs/Education Grants	3.0		11.9	(8.9)	
TOTAL PROGRAM DELIVERY	10,409.7		11,671.9	(1,262.2)	
Total Expenditures	12,072.9	21.00	13,827.0	(1,754.1)	

Explanation Number:

1 The variance is due to vacant positions.

2 As part of a departmental general operating reduction, several projects were scaled back or postponed.

ACCESS 204 MANITOBA

Access
Manitoba
Your Business. Our People.
Profit from the partnership.
Manitoba

OBJECTIVES

The mission of **Access Manitoba** is to create a sustainable customer contact industry in the Province of Manitoba. To date, more than 10,000 people are employed in the industry and activities are underway to support it's continued health and growth.

Access Manitoba continues to develop the customer contact sector and attract quality job opportunities and investment. This is accomplished by:

- Encouraging the creation of new customer contact centres and/or the expansion of existing centres;
- Enhancing community awareness of the customer contact industry throughout the province and its significance as a major new economy employer for Manitobans.
- Partner with both the public and private sectors to create an attractive environment to locate new companies in Manitoba and,
- Continuing efforts to ensure that an appropriate physical infrastructure exists to support the sector and that employee education programs are designed to meet the specific needs of the Manitoba customer contact centre industry.

ACTIVITIES/RESULTS

Manitoba has become a significant player in the North American customer contact industry with job creation growth of approximately 150% since 1995. This represents approximately 10,300 people working in the industry for the year ending 2001/02 and approximately 2.9% of overall employment in the City of Winnipeg.

There is a growing interest in the marketplace for expansion in smaller locations and there is great optimism about the prospects for further development of this industry, particularly in rural Manitoba. Sizeable customer contact centres can currently be found in Winnipeg, Brandon, Selkirk and Boissevain.

Many activities took place throughout the year to support the industry's continued health and growth including:

- Business meetings with prospective clients in Canada and the United States.
- Participation in trade shows focused on corporate expansion/customer contact centres including IDRC World Congress (International Development Research Council) and The Canadian Alternative in Calgary in fall.
- The development of a new web site to promote Manitoba as a premier location for customer contact centres.
- Advertisements in a variety of US and Canadian publications targeted to corporate expansion and the customer contact industry such as Site Selection Magazine, Area Development, Expansion Management and Canadian Business.

- Hosting of a site selection workshop for Manitoba's economic developers and community stakeholders. This workshop was designed to illustrate how site selectors choose a community as a site for corporate expansion.
- Hosting of an Internet based interactive site selection seminar, attracting approximately 150 participants worldwide.
- Continued support to communities around the province seeking to market their communities as sites for customer contact centre development.
- Organizational participation and sponsorship of the Manitoba Customer Contact Association's annual MECCA Awards. This industry event is designed to recognize excellence; best practices and promote the industry as a quality employer. The third annual awards night was sold out with over 500 in attendance.
- Continued support of Manitoba Customer Contact Association.

Highlights of the 2000/01 fiscal year include the announcement of **CanWest Global Communications Corp's** major expansion in Winnipeg as part of a multi-project integration of its major television, publishing and Internet assets. The first of these projects is a fully integrated regional Contact Centre, employing 400 people and serving the requirements ofCanWest's Western Canadian newspaper operations. Funding assistance provided by the Province of Manitoba is targeted at the overall CanWest expansion and is designed to facilitate creation of up to 1200 new CanWest jobs in Winnipeg. The Province provided a $3,500,000 forgivable loan to support this expansion and is utilizing existing funds in its Education and Training budget for targeted training support to Aboriginal people, people on social assistance, and the unemployed.

10-5(b) Access 204 Manitoba

Expenditures by Sub-Appropriation	Actual 2001/02 $	Estimate 2001/02 FTE	Estimate 2001/02 $	Variance Over (Under)	Expl. No.
Total Salaries & Employee Benefits	178.1	5.00	291.7	(113.6)	1
Total Other Expenditures	339.6		377.6	(38.0)	
Total Grants/Transfer Payments	30.0		45.0	(15.0)	
Less: Recoverable from Rural Economic Development Initiative	(136.3)		(198.2)	61.9	
Total Expenditures	**411.4**	**5.00**	**516.1**	**(104.7)**	

Explanation Number:

1 The variance is due to vacant positions.

THE INDUSTRIAL TECHNOLOGY CENTRE

The Industrial Technology Centre (ITC) is a special operating agency of the Department of Industry, Trade and Mines. The Department supports ITC's contribution to economic development activities in Manitoba via an Economic Development Contribution Agreement (a performance contract). ITC provides a wide range of technical services in support of technology based economic development in Manitoba. ITC tables its annual report under separate cover with the Manitoba Legislature.

10-5(c) Industrial Technology Centre

Expenditures by Sub-Appropriation	Actual 2001/02 $	Estimate 2001/02 FTE	Estimate 2001/02 $	Variance Over (Under)	Expl. No.
Industrial Technology Centre	750.0		750.0	0.0	
Total Expenditures	**750.0**		**750.0**	**0.0**	

AMORTIZATION OF CAPITAL ASSETS

Commencing in 1999/2000, it is the policy of the Province of Manitoba to record in the accounts of the Province, the tangible capital assets owned and used by the Province along with appropriate amortization costs. The Provincial Comptroller has established standard asset classes, along with capitalization thresholds and corresponding amortization rates. Consistent with this policy, this sub-appropriation records the costs associated with the amortization of the Department's share of the total estimated costs of the Desktop Management Initiative and Enterprise System Management allocated to the Department. In the case of Desktop, based on units acquired by the Department as a percentage of total units acquired by the Province and, in the case of Enterprise System Management, by projected departmental used. A small amount is also included for the amortization of other departmental assets.

10-6 Amortization of Capital Assets

Expenditures by Sub-Appropriation	Actual 2001/02 $	Estimate 2001/02 FTE	Estimate 2001/02 $	Variance Over (Under)	Expl. No.
Amortization of Capital Assets	476.9		526.7	(49.8)	
Total Expenditures	**476.9**		**526.7**	**(49.8)**	

Industry, Trade and Mines

Reconciliation Statements

EXPENDITURE DETAILS	2001/02 ESTIMATES
2001-02 MAIN ESTIMATES	50,745.8
2001-02 ESTIMATE	50,745.8

Industry, Trade and Mines
Expenditure Summary
For Fiscal Year Ended March 31, 2002 (with comparative figures for the previous year)

Estimate 2001/02 $	Appropriation	Actual 2001/02 $	Actual 2000/01 $	Increase (Decrease) $	Explanation Number
	10-1 Administration and Finance				
28.1	(a) Minister's Salary	28.0	27.1	0.9	
	(b) Executive Support				
407.3	Salaries & Employee Benefits	409.5	400.6	8.9	
85.0	Other	83.2	83.3	(0.1)	
	(c) Financial & Administrative Services				
1,059.9	Salaries & Employee Benefits	983.5	996.0	(12.5)	
365.4	Other	291.3	364.4	(73.1)	
110.0	Computer Services	109.9	109.7	0.2	
	(d) Policy, Planning and Co-ordination				
457.2	Salaries & Employee Benefits	445.4	424.5	20.9	
165.6	Other	149.8	160.5	(10.7)	
	(e) Manitoba Office in Ottawa				
119.4	Salaries & Employee Benefits	104.6	105.1	(0.5)	
116.4	Other	81.2	79.1	2.1	
	(f) Manitoba Bureau of Statistics				
758.8	Salaries & Employee Benefits	670.7	649.6	21.1	
231.9	Other	230.9	299.9	(69.0)	
(60.0)	Less: Recoveries from Other Appropriations	(83.6)	(107.3)	23.7	
164.5	(g) Manitoba Horse Racing Commission	0.1	178.4	(178.3)	1
4,009.5	TOTAL 10-1	3,504.5	3,770.9	(266.4)	

Industry, Trade and Mines
Expenditure Summary
For Fiscal Year Ended March 31, 2002 (with comparative figures for the previous year)

Estimate 2001/02 $	Appropriation	Actual 2001/02 $	Actual 2000/01 $	Increase (Decrease) $	Explanation Number
	10-2 Business Services				
	(a) Industry Development – Financial Services				
777.5	(1) Salaries & Employee Benefits	724.0	627.9	96.1	
294.0	(2) Other	286.4	415.7	(129.3)	2
	(3) Industry Support Programs:				
6,581.0	(a) Manitoba Industrial Opportunities Program	6,434.8	6,546.2	(111.4)	
1,810.2	(b) Vision Capital Program	(3,902.4)	1,178.5	(5,080.9)	3
1,563.1	(c) Manitoba Business Development Fund	1,180.3	1,634.7	(454.4)	4
1,743.9	(d) Third Party Managed Capital Funds	1,535.0	388.3	1,146.7	5
(2,058.7)	(e) Less: Interest Recovery	(1,433.4)	(1,340.5)	(92.9)	
	(4) Mineral Support Programs:				
2,750.0	(a) Mineral Exploration Assistance Program	2,699.6	2,750.0	(50.4)	
248.3	(b) Manitoba Potash Project	164.8	261.3	(96.5)	6
285.9	(c) Acid Rain Abatement Program - Flin Flon	285.3	342.0	(56.7)	
-	(d) Specialty Minerals Incentive Program	-	17.5	(17.5)	
125.0	(e) Prospectors' Assistance Program	90.6	106.4	(15.8)	
	(b) Manitoba Trade and Investment Marketing				
2,700.6	Salaries & Employee Benefits	2,487.0	2,572.9	(85.9)	
2,845.5	Other	2,512.1	2,681.3	(169.2)	
170.0	Grants	161.7	159.2	2.5	
(1,000.0)	Less: Recoverable from Rural and Urban Economic Development Initiatives	(1,000.0)	(1,000.0)	0.0	
	(c) Small Business and Co-operative Development				
1,214.2	Salaries & Employee Benefits	1,190.2	1,040.1	150.1	
721.5	Other	767.1	646.4	120.7	
30.0	Grants	30.0	30.0	0.0	
20,802.0	TOTAL 10-2	14,213.1	19,057.9	(4,844.8)	

Industry , Trade and Mines
Expenditure Summary
For Fiscal Year Ended March 31, 2002 (with comparative figures for the previous year)

Estimate 2001/02 $	Appropriation	Actual 2001/02 $	Actual 2000/01 $	Increase (Decrease) $	Explanation Number
	10-3 Mineral Resources				
	(a) Manitoba Geological Survey				
3,444.1	Salaries & Employee Benefits	3,225.1	3,198.1	27.0	
1,799.7	Other	1,723.8	1,786.6	(62.8)	
	(b) Mines				
1,531.8	Salaries & Employee Benefits	1,580.8	1,519.9	60.9	
684.8	Other	524.9	637.1	(112.2)	
	(c) Petroleum				
1,032.4	Salaries & Employee Benefits	1,006.4	969.6	36.8	
342.1	Other	357.8	356.1	1.7	
8,834.9	TOTAL 10-3	8,418.8	8,467.4	(48.6)	
	10-4 Community and Economic Development				
	(a) Community and Economic Development Committee Secretariat				
738.7	Salaries & Employee Benefits	689.2	602.4	86.8	
367.5	Other	286.9	201.8	85.1	
	(b) Premier's Economic Advisory Council				
133.4	Salaries & Employee Benefits	55.8	-	55.8	
240.0	Other	30.4	-	30.4	
1,479.6	TOTAL 10-4	1,062.3	804.2	258.1	

Industry Trade and Mines
Expenditure Summary
For Fiscal Year Ended March 31, 2002 (with comparative figures for the previous year)

Estimate 2001/02 $	Appropriation	Actual 2001/02 $	Actual 2000/01 $	Increase (Decrease) $	Explanation Number
	10-5 Manitoba Research, Innovation and Technology				
	(a) Manitoba Research, Innovation and Technology				
1,449.6	(1) Salaries & Employee Benefits	991.0	1,398.3	(407.3)	7
705.5	(2) Other	672.2	1,174.5	(502.3)	8
7,000.0	(3) Manitoba Innovations Fund	6,587.2	6,991.7	(404.5)	
1,250.0	(4) Research and Innovation Fund	409.5	270.5	139.0	9
3,000.0	(5) Health Research Initiative	3,000.0	3,000.0	0.0	
410.0	(6) Manitoba Centres of Excellence Fund	410.0	292.4	117.6	10
11.9	(7) Science Fairs/Education Grants	3.0	8.4	(5.4)	
	(b) Access Manitoba				
291.7	Salaries & Employee Benefits	178.1	154.0	24.1	
377.6	Other	339.6	428.3	(88.7)	
45.0	Grants	30.0	45.0	(15.0)	
(198.2)	Less: Recoverable from Rural Economic Development Initiatives	(136.3)	(156.2)	19.9	
750.0	(c) Industrial Technology Centre	750.0	765.0	(15.0)	
15,093.1	TOTAL 10-5	13,234.3	14,371.9	(1,137.6)	
	10-6 Amortization of Capital Assets				
526.7	(a) Amortization of Capital Assets	476.9	493.1	(16.2)	
526.7	TOTAL 10-6	476.9	493.1	(16.2)	
50,745.8	TOTAL FOR INDUSTRY, TRADE AND MINES	40,909.9	46,965.4	(6,055.5)	

Industry, Trade and Mines
Expenditure Summary Explanations

Explanation Number:

1. *Funding for the Horse Racing Commission was higher in 2000/01. In 2001/02, the commission utilized an operating surplus from the 2000/01and did not require an operating grant in 2001/02.*
2. *The variance is due to a professional services contract in 2000/01.*
3. *The bad debt expense was lower in 2001/02.*
4. *Grant expenditures were lower in 2001/02.*
5. *Bad debt, interest and professional fees were higher in 2001/02.*
6. *Interest, professional fees and general operating expenditures were lower in 2001/02.*
7. *The variance is due to staff vacancies.*
8. *The variance is due to general operating expenditures, which were lower in 2001/02.*
9. *Grant expenditures were higher in 2001/02.*
10. *Grant expenditures were higher in 2001/02.*

Industry, Trade and Mines
Revenue Summary by Source
For Fiscal Year Ended March 31, 2002 (with comparative figures for the previous year)

Actual 2000/01 $	Actual 2001/02 $	Increase (Decrease) $	Source	Actual 2001/02 $	Estimate 2001/02 $	Variance $	Explanation Number
			Current Operating Programs:				
			Taxation				
4,838.1	3,621.1	(1,217.0)	(a) Oil and Natural Gas Tax	3,621.1	3,984.0	(362.9)	1
4,838.1	3,621.1	(1,217.0)	Sub-Total	3,621.1	3,984.0	(362.9)	
			Other Revenue				
3,880.4	2,998.2	(882.2)	(a) Petroleum Royalties and Fees	2,998.2	3,048.1	(49.9)	2
2,708.1	3,016.6	308.5	(b) Minerals Royalties and Fees	3,016.6	2,893.5	123.1	3
61.0	66.6	5.6	(c) Sundry	66.6	45.0	21.6	
6,649.5	6,081.4	(568.1)	Sub-Total	6,081.4	5,986.6	94.8	
11,487.6	9,702.5	(1,785.1)	TOTAL REVENUE	9,702.5	9,970.6	(268.1)	

Explanation Number:

1 Decrease Actual vs Actual - $1,217.0

Price per cubic meter was lower in 2001/02 over 2000/01 levels. This was slightly offset by production levels, which were higher in 2001/02 over 2000/01 levels.

Decrease Estimate vs Actual - $362.9

Actual production and price per cubic meter were both lower than budgeted.

2 Decrease Actual vs Actual - $882.2

Price per cubic meter was lower in 2001/02 over 2000/01 levels. This was slightly offset by production levels, which were higher in 2001/02 over 2000/01 levels.

3 Increase Actual vs Actual - $308.5

The variance is due to higher mining revenues. This was slightly offset by lower quarrying and general revenue.

Increase Estimate vs Actual - $123.1

The variance is due to higher mining revenues. This was slightly offset by lower quarrying and general revenue.

Industry Trade and Mines
Five-Year Expenditure and Staffing Summary by Appropriation ($000s)
For Five Years Ended March 31, 1998 - March 31, 2002

	Actual/*Adjusted Expenditures									
	1997-98		1998-99		1999-2000		2000-01		2001-02	
Appropriation	**FTE**	**$**	**FTE**	**$**	**FTE**	**$**	**FTE**	**$**	**FTE**	**$**
Administration & Finance	49.17	3,824.3	53.54	3,999.2	51.10	4,113.3	52.26	4,146.0	48.14	3,504.5
Business Services	89.59	24,925.1	88.50	33,801.4	73.24	60,744.6	77.70	19,613.5	70.46	14,213.1
Mineral Resources	109.02	7,668.1	110.53	7,702.1	107.61	13,245.0	95.34	7,863.1	102.61	8,418.8
Community and Economic Development Committee	5.85	570.3	5.73	708.6	4.03	822.8	7.70	700.5	9.49	1,062.3
Manitoba Research, Innovation and Technology	4.04	4,164.0	4.44	6,333.8	16.92	15,267.2	17.78	14,239.9	17.97	13,234.3
Amortization of Capital Assets				1.1		463.9		493.1		476.9
TOTAL OPERATING										
Expenditures Related to Capital										
TOTAL	257.67	41,151.8	262.74	52,546.2	252.90	94,656.8	250.78	47,056.1	248.67	40,909.9

* - Adjusted figures reflect historical data on a comparable basis in those appropriations affected by reorganizations during the five years.

APPENDIX A

ASSOCIATED AGENCIES, BOARDS, COMMISSIONS and COUNCILS

THE MANITOBA DESIGN INSTITUTE

The Manitoba Design Institute was established by an Act of the Legislative Assembly in 1963. The Institute had no operating budget or staff in 2001/02.

THE MANITOBA DEVELOPMENT CORPORATION

The Manitoba Development Corporation (MDC) provides loans and loan guarantees under Part 2, The Development Corporation Act. MDC tables its annual financial statements under separate cover with the Manitoba Legislature.

THE MANITOBA TRADE AND INVESTMENT CORPORATION

The Manitoba Trade and Investment Corporation (Manitoba Trade and Investment) was established in 1974 as the Manitoba Trading Corporation to encourage, develop and increase trade between Manitoba and the world. The Manitoba Government's ***"Framework for Economic Growth"*** released in 1993 directed the Corporation to act as the focal point for all export activities. The Corporation can utilize a variety of government and private sector resources to achieve its objectives. The Corporation is administered by the Manitoba Trade and Investment Marketing Branch of the Department of Industry, Trade and Mines and reports to a board of directors. The Corporation tables an annual report under separate cover with the Manitoba legislature.

THE CO-OPERATIVE LOANS AND LOANS GUARANTEE BOARD

Under the Co-operative Associations Loans and Loans Guarantee Act the Co-operative Loans and Loans Guarantee Board is empowered to make loans or guarantee loans to co-operative organizations in Manitoba. A major objective is to ensure that co-operative organizations have access to basic financial services necessary for the development and expansion of viable enterprises to maximize the benefits of economic activity. The Board tables an annual report under separate cover with the Manitoba legislature.

THE COOPERATIVE PROMOTION BOARD

The mandate of The Co-operative Promotion Board is to assist in the development of co-operative organizations; to promote the general welfare of co-operative organization and rural residents; and, to make recommends with respect to co-operative organizations and related legislation. The Board tables an annual report under separate cover with the Manitoba legislature.

THE MANITOBA HORSE RACING COMMISSION

The Commission supervises and regulates horse racing and the operation of race tracks in Manitoba. The Commission tables an annual report under separate cover with the Manitoba legislature.

THE INDUSTRIAL TECHNOLOGY CENTRE

The Industrial Technology Centre (ITC) was established in 1979 and commenced operations as a Special Operating Agency on April 1, 1996. ITC provides a wide range of technical services in support of technology-based economic development in Manitoba. The Centre tables an annual report under separate cover with the Manitoba legislature.

APPENDIX B

FINANCIAL INFORMATION

Industry, Trade & Mines
Summary of Business Assistance
2001 -2002 Fiscal Year

ASSOCIATION CONTRIBUTIONS	39,500.00
FEASIBILITY STUDIES/PROJECTS	163,436.13
FORGIVABLE LOANS	1,070,419.89
MANITOBA CENTRES OF EXCELLENCE FUND	410,000.00
MANITOBA HEALTH RESEARCH INITIATIVE	3,000,000.00
MANITOBA INNOVATIONS FUND	6,587,209.00
MANITOBA PROSPECTORS ASSISTANCE PROGRAM	90,572.73
MINERAL EXPLORATION ASSISTANCE PROGRAM	2,699,634.11
NEW BUSINESS ASSISTANCE - TECHNOLOGY COMMERCIALIZATION	235,407.78
RESEARCH AND INNOVATION FUND	210,274.00
SCIENCE FAIRS AND SYMPOSIUMS	2,700.00
SMALL BUSINESS AND CO-OPERATIVE DEVELOPMENT	30,000.00
SPECIAL ASSISTANCE	669,247.00
STUDENT BURSARY	300.00
TRADE ASSISTANCE PROGRAM	161,708.28
TRANSFER PAYMENTS	949,160.57
	$ 16,319,569.49

* - In the preparation of the Summary of Business Assistance, estimates are sometimes necessary because a precise determination of certain expenditures is dependant on future events.

APPENDIX C

FINANCIAL INFORMATION

Industry, Trade & Mines
List of Business Assistance
2001 - 2002 Fiscal Year

ASSOCIATION CONTRIBUTIONS

Manitoba Customer Contact Association	39,500.00
	$ 39,500.00

FEASIBILITY PROJECTS/STUDIES

3XR Software Inc	10,000.00
Biovar Life Support Inc	10,000.00
Bristol Aerospace Ltd	10,000.00
Business and Law Edigest	15,000.00
Canada West Foods	22,673.82
Controlled Environments Ltd	11,750.00
Crystal Spring Electronics Ltd	6,510.00
Health Integration Management Ltd	13,500.00
Hemp Oil Canada Inc	7,467.29
Icon Technologies Ltd	5,000.00
Manlab Resources Inc	5,600.00
Maple Leaf Distillers Inc	9,750.00
Prothotics Corp	1,600.02
Railside Locomotive Services Inc	13,892.50
Score Advertising Inc	1,500.00
SoftNetLink Inc.	10,000.00
Tarry & Associates Ltd	6,437.50
Wellington Fine Coffees	2,755.00
	$ 163,436.13

FORGIVEABLE LOANS

CanWest Media Inc.	1,070,419.89
	$ 1,070,419.89

MANITOBA CENTRES OF EXCELLENCE FUND

University of Manitoba, Centres of Excellence Fund	410,000.00
	$ 410,000.00

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APPENDIX C

FINANCIAL INFORMATION

Industry, Trade & Mines
List of Business Assistance
2001 - 2002 Fiscal Year

MANITOBA HEALTH RESEARCH INITIATIVE

CancerCare Manitoba	337,642.36
Children's Hospital Foundation of Manitoba Inc	133,764.11
Health Sciences Centre	422,486.76
St Boniface General Hospital	815,080.97
University of Manitoba	1,291,025.80
	$ 3,000,000.00

MANITOBA INNOVATIONS FUND

Brandon University	544,945.33
Manitoba Health Research Council	866,292.00
St Boniface General Hospital	530,112.00
University of Manitoba	4,419,508.36
University of Winnipeg	226,351.31
	$ 6,587,209.00

MANITOBA PROSPECTORS' ASSISTANCE PROGRAM

Busch, David	6,210.66
Chaboyer, Emile	7,500.00
De Graff, Ken	7,270.26
Dunlop, Peter	5,869.57
Fogwill, W Douglas	539.55
Gibson, J C Robin	4,225.25
Gordon, Davy	6,914.38
Hood, William	4,466.37
Kuran, William	6,949.80
Lee, John	8,502.43
Masson, Stephen	7,500.00
Rastel, James	5,223.18
Romano, Michael	5,122.53
Sopotiuk, John	7,500.00
Thorne, Albert	6,778.75
	$ 90,572.73

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APPENDIX C

FINANCIAL INFORMATION

Industry, Trade & Mines
List of Business Assistance
2001 - 2002 Fiscal Year

MINERAL EXPLORATION ASSISTANCE PROGRAM	
1126774 Ontario Ltd.	49,396.88*
Agassiz Drilling (2000) Ltd.	60,151.85
Amarc Resources	372,192.88*
Arc Metals	13,249.05
Aur Resources	139,936.62*
Avalon Ventures Ltd.	13,581.53*
BHP Diamonds Inc.	173,736.62
CanAlaska Ventures Ltd.	34,147.96
Canmine Resources Corporation	30,120.84*
Cassidy Gold Corp.	15,401.09
Dasher Energy Inc.	13,830.99*
Busch, David	12,588.97
DeBeers Canada Exploration Inc.	199,215.39*
Emerald Fields Resource Corp.	14,235.45
Explorateurs Innovateurs de Quebec Inc.	18,590.38*
Exploratus Ltd.	27,829.39*
Falconbridge Limited	233,191.32*
Fort Knox Gold Resources Inc.	14,326.19
Hudson Bay Exploration and Development Company Limited	187,661.73*
International Curator Resources Ltd.	123,572.80*
Iriana Resources Corporation	91,174.77*
Kennecott Canada Exploration Inc.	70,125.98*
ManQuest Resources Corporation	7,876.73*
Marksmen Resources	2,750.00*
Marum Resources Inc.	17,242.82
Mountain Province Diamonds Inc.	11,596.64
Newcoast Silver Mines Ltd.	3,900.00*
Rare Earth Metals Corp.	125,568.48
Rubicon Minerals Corporation	27,758.62
San Gold Resources Corporation	112,443.05*
Strider Resources Limited	10,655.03
Teck Cominco Ltd.	23,716.30
Troymin Resources Ltd.	32,596.73*
Tudale Exploration Ltd.	22,236.33*
Valerie Gold Resources Ltd.	95,421.07*
W. Bruce Dunlop Ltd. (NPL)	12,003.82*
Western Warrior Resources Ltd.	23,966.17*
Wildcat Exploration Ltd.	138,070.84*
Wolfden Resources Inc.	123,572.80*
	$ $2,699,634.11

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APPENDIX C

FINANCIAL INFORMATION

Industry, Trade & Mines
List of Business Assistance
2001 - 2002 Fiscal Year

NEW BUSINESS ASSISTANCE - TECHNOLOGY COMMERCIALIZATION

Acsion Industries Inc	16,681.76
Claims Network Inc	32,363.45
Crathorne Canada Ltd	2,075.00
E & M Automotion Inc	16,962.32
Erosioncontrolblanket.com	4,250.00
Hanover Door Systems (1996) Inc	11,066.52
K9 Storm Inc	18,051.18
Melet Plastics Inc	11,100.00
MSR Manufacturing Ltd	25,000.00
Powerlok Ltd	5,227.29
Safety Base Ltd	16,951.51
State Industries Ltd	25,122.80
Wardrop Engineering Inc	15,555.95
Wolf Products Ltd	35,000.00
	$ 235,407.78

RESEARCH AND INNOVATION FUND

Deep River Science Academy	5,000.00
Manitoba Gett Camp	1,000.00
Manitoba Quality Network	5,500.00
Red River College	16,100.00
Smart Winnipeg	1,000.00
SmartCentre	27,500.00
University of Manitoba	154,174.00
	$ 210,274.00

SCIENCE FAIRS AND SYMPOSIUMS

Western Manitoba Science Fair	2,700.00
	$ 2,700.00

SMALL BUSINESS AND CO-OPERATIVE DEVELOPMENT

Manitoba Marketing Network Inc	30,000.00
	$ 30,000.00

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APPENDIX C

FINANCIAL INFORMATION

Industry, Trade & Mines
List of Business Assistance
2001 - 2002 Fiscal Year

SPECIAL ASSISTANCE

Arts and Cultural Industries	50,000.00
Churchill Northern Studies Centre	20,000.00
Economic Development Council	25,000.00
Internal Trade Secretariat	11,774.00
TR Labs	480,000.00
Whiteshell Economic Development Authority	82,473.00
	$ 669,247.00

STUDENT BURSARY

Assiniboine Community College	300.00
	$ 300.00

TRADE ASSISTANCE PROGRAM

Aikins Macaulay & Thorvaldson	1,000.00
Avenue Four Graphics Ltd	1,100.00
Barry's Blueprints	650.00
Bee Maid Honey Ltd	2,550.00
Blue Sax Productions	745.75
Bonafide Clothing Co	2,786.25
Brooks Industries Ltd	1,000.00
C A T Contract Services Ltd	2,200.00
Canadian Antler Designs	3,000.00
Canadian Dionic Ltd	2,000.00
Canadian Education Adventure	1,000.00
Circle C Red Angus	1,776.00
Coldstream Products Corp	3,000.00
Cool Curling	700.00
Cromer Valley Construction	600.00
Cros- Am Industries Ltd	3,000.00
Cros- Can Industries Ltd	1,000.00
CRW Systems Manitoba Inc	3,000.00
Davis & Luk Immigration Law	1,000.00
Dedalo Corp	1,000.00
Dundee Metal Designs	2,539.80
Dyna- Pro Environmental	3,000.00
Earth Rhythms Inc	1,000.00

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APPENDIX C

FINANCIAL INFORMATION

Industry, Trade & Mines
List of Business Assistance
2001 - 2002 Fiscal Year

Folk Arts Council of Winnipeg Inc	1,000.00
Fort Garry School Division No. 5	1,500.00
Fresh Hemp Foods Ltd	3,000.00
Geppetto's Cedar Lawn Furniture	2,340.00
Glad Hatters	150.00
Gorfam Holdings Ltd	3,000.00
Great Promotional Products Company	1,000.00
Great West Van Conversions Inc	3,000.00
Heartland International English	3,000.00
Hemp Oil Canada Inc	3,000.00
Hood, William	295.00
Integrated Messaging Inc	3,000.00
International Beef Genetics	1,000.00
Iriana Resources Corp	1,605.00
Kids Web TV Inc	1,265.00
LBT Enterprises Ltd	3,000.00
Manstock International Ltd	1,000.00
McDay Industries	3,000.00
McRae Food Processing Equipment Ltd	2,270.25
Mexican Connection Enterprises Inc	1,000.00
National Aboriginal Achievement Fund	5,000.00
Niche Technology Inc	3,000.00
North- Man Engineering Inc	3,000.00
Northland Superior Supply Co Ltd	3,000.00
Novadaq Technologies Inc	3,000.00
Osorno Enterprises Inc	3,000.00
Polar Leafs	955.00
Prairie Forest Products	950.00
Prairie Lane Saskatoons Inc	3,000.00
Precision Metalcraft Inc	3,000.00
Pro West Coatings	3,000.00
Red River College	1,500.00
Roy Legumex Inc	3,000.00
Ryan Forest Products	3,000.00
Sabourin Seed Service Ltd	2,925.00
Scoretec Scoreboards	2,520.00
Siltex Ltd	3,000.00

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APPENDIX C

FINANCIAL INFORMATION

Industry, Trade & Mines
List of Business Assistance
2001 - 2002 Fiscal Year

Simply Natural Canadian Spring Corp		1,000.00
Somerville Packaging- Western		3,000.00
Spectis Moulders Inc		3,000.00
Spectra Securities		2,050.00
Sperling Industries Ltd		3,000.00
Tell Us About Us Inc		3,000.00
Transcona Springfield School		1,500.00
Ultra Span Technologies Inc		3,000.00
Unique Concepts Ltd		3,000.00
Universal Design International		972.23
University of Manitoba		1,500.00
University of Winnipeg		1,500.00
Western Canada Testing Inc		3,000.00
Western Grain Dryer Inc		2,415.00
Western Statue & Ornaments Inc		2,400.00
Xpotential Products Inc		2,448.00
	$	**161,708.28**
TRANSFER PAYMENTS		
Economic Innovation and Technology Council		199,160.57
Industrial Technology Centre		750,000.00
	$	**949,160.57**
TOTAL	**$**	**16,319,569.49**

*** - In the preparation of the List of Business Assistance, estimates are sometimes necessary because a precise determination of certain expenditures is dependant on future events.**

APPENDIX D

MINERAL RESOURCES DIVISION PUBLICATIONS

Technical Publications

Open File Reports:

OF2001-2
Enzyme leach^{sm} geochemical profile over the Bil Group (Gods River) lithium pegmatite, Gods Lake area, east-central Manitoba (NTS 53L/16) / Fedikow, M.A.F.

OF2001-3
Kimberlite indicator minerals from west-central Manitoba (NTS 62N, 63C, 63K) / Bamburak, J.D. and Fedikow, M.A.F.

OF2001-4
Operation Superior: compilation of kimberlite indicator mineral survey results (1996-2000) / Fedikow, M.A.F., Nielsen, E., Conley, G.G. and Lenton, P.G.

OF2001-5
Operation Superior: kimberlite indicator mineral survey results (2000) for the northern half of the Knee Lake greenstone belt, Manitoba (NTS 53M) / Fedikow, M.A.F., Nielsen, E., Conley, G.G. and Lenton, P.G.

OF2001-6 (CD-ROM)
Geochemistry and tectonic setting of volcanic and intrusive rocks in the VMS-hosting Snow Lake arc assemblage, Flin Flon Belt, Manitoba: a preliminary release of the geochemical data set / Bailes, A.H. and Galley, A.G.

OF2001-8 (CD-ROM)
Geoscience data compilation for southeastern Manitoba / Panagapko, D.A., Chackowsky, L., Lenton, P.G., Bailes, A.H., Corkery, M.T., Poulsen, K.H., Brommecker, R., Weber, W., Ames, D.E., Scoates, R.F.J., Garson, D.F., Theyer, P., Percival, J., Thorleifson, L.H., Matile, G.L.D., Grant, N.M., Burt, A.K. and Mann, J.D.

OF2001-9
Geology, alteration mineralogy, geochemistry and volcanogenic massive-sulphide potential of the Ruttan mine area and the southern Rusty Lake volcanic belt (NTS 64B) / Barrie, C.T. and Taylor, C.F.

Bedrock Geology Compilation Map Series:

NTS 64O
Munroe Lake, scale 1:250 000

Report of Activities 2001:

Annual review / Syme, E.C., p. 1-7.

Flin Flon – Snow Lake
Flin Flon targeted geoscience initiative / Galley, A.G. and Bailes, A.H., p. 9-17.

Geology of the Wabishkok Lake area (parts of NTS 63K/13NE and /14NW) / Gilbert, H.P., p. 18-27.

Josland Lake sills: U-Pb age and tectonostratigraphic implications (parts of NTS 63K and 63N) / Zwanzig, H.V., Bailes, A.H. and Böhm, Ch.O., p. 28-32.

Platinum-group element investigations in the Flin Flon greenstone belt: McBratney Lake occurrence and Josland Lake intrusion (parts of NTS 63K/9, /13) / Theyer, P., p. 33-39.

Mineral deposit studies in the Flin Flon–Snow Lake area / Gale, G.H., p. 40-44.

Activities of the Flin Flon regional office / Heine, T.H. and Prouse, D.E., p. 45-46.

Thompson Nickel Belt, Superior Boundary Zone, Fox River Belt

Thompson Nickel Belt Project: progress report / Macek, J.J., Zwanzig, H.V. and McGregor, C.R., p. 47-50.

Superior Boundary Zone–Reindeer Zone transition in the Pearson Lake–Odei River–Mystery Lake region (parts of NTS 63P and 64O) / Zwanzig, H.V., Böhm, Ch.O. and Etcheverry, J., p. 51-56.

Hydration of Pikwitonei Domain granulite along the east margin of the Thompson Nickel Belt (part of NTS 63J/16) / Lettley, C.D., p. 57-58.

Pegmatite remagnetization at about 1.7 Ga in the southern Thompson Nickel Belt, from paleomagnetism / Harris, M.J., Symons, D.T.A., Peck, D.C., Blackburn, W.H. and Turek, A., p. 59-66.

Lynn Lake

Structural analysis and investigations of shear-hosted gold mineralization in the southern Lynn Lake greenstone belt (parts of NTS 64C/11, /12, /15, /16) / Beaumont-Smith, C.J., Anderson, S.D. and Böhm, Ch.O., p. 67-75.

Structural analysis of the Pool Lake–Boiley Lake area, Lynn Lake greenstone belt (NTS 64C/11) / Anderson, S.D. and Beaumont-Smith, C.J., p. 76-85.

Stratigraphic and structural mapping of the Agassiz Metallotect near Lynn Lake, Lynn Lake greenstone belt (parts of NTS 64C/14, /15) / Ma, G. and Beaumont-Smith, C.J., p. 86-93.

Preliminary results from the Churchill River–Southern Indian Lake Targeted Geoscience Initiative / Corrigan, D., Therriault, A. and Rayner, N.M., p. 94-107.

Northern Superior

Multimedia geochemical and mineralogical surveys, Northern Knee Lake–Fish Lake greenstone belt, northern Superior Province (NTS 53M/1, 53M/8, 53N/3, 53N/4 and 53N/5) / Fedikow, M.A.F. and Nielsen, E., p.108-110.

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J-1b
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KSR-2a
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Manitoba Mining & Minerals Convention 2001 Program
Mineral Exploration Assistance Program (MEAP) – booklet and fact sheet
Manitoba Prospectors Assistance Program (MPAP) – booklet and fact sheet
Orphaned/Abandoned Mines Workshop – CD of proceedings
Geology and Minerals Publications Price List
Release Notice – bimonthly notice of new Manitoba Geological Survey reports and maps available for purchase
Exploration Activity Map – fact sheet
Provincial Mining Week 2001- flyer

Manitoba Exploration and Development Highlights 2001 – magazine article for the *Manitoba Exploration & Mining Review 2002* and the *Northern Prospector 2001*

Rock Solid 2001 – collaborated on editorial copy for *Manitoba Business Magazine*'s annual report on exploration and mining in Manitoba

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Mining Task Force
Provincial Mining Week 2001
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2001 Exploration and Development Highlights
2001 Manitoba Mining and Minerals Convention
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Report of Activities 2001
Manitoba Geology
Manitoba's Protected Areas Initiative (Mining Sector Consultation)
Operation Superior: Multimedia Geochemical and Mineralogical Surveys
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Fieldwork Discoveries
Publication Sales (new releases of geological reports and maps)
Free Downloads
Prospectors Assistance Program Regulation Amendment
Drilling Regulation
Mine Closure Regulation
Mine Closure Regulation – General Closure Plan Guidelines / Mine Closure Guidelines, Financial Assurance
2002 Manitoba Oil and Industrial Show

APPENDIX E

Industry, Trade and Mines
DEPARTMENTAL DIRECTORY
as at March 2002

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Assistant Deputy Minister ***Mineral Resources*** 360 – 1395 Ellice Avenue Winnipeg, MB R3G 3P2 945-4317	**Assistant Deputy Minister** ***Research, Innovation & Technology*** 5th Floor - 155 Carlton Street Winnipeg, MB R3C 3H8 945-8900
Manitoba Office in Ottawa 512 – 90 Sparks Street Ottawa, ON K1P 5B4 (613) 233-4228	**Economic Innovation and Technology Council** 500 – 155 Carlton Street Winnipeg, MB RC 3H8 945-8900
Manitoba Horse Racing Commission Box 46086 Winnipeg, MB R3R 3S3 885-7770	**Community Economic Development Committee** 648 – 155 Carlton Street Winnipeg, MB R3C 3H8 945-1116
Premiers Economic Advisory Council 648 – 155 Carlton Street Winnipeg, MB R3C 3H8 945-6133	**Financial & Administrative Services** Director 600 - 155 Carlton Street Winnipeg, MB R3C 3H8 945-3675
Small Business & Co-operative Development Director 250 – 240 Graham Avenue Winnipeg, MB R3C 4B3 945-2019	**Policy, Planning and Coordination** Director 675 - 155 Carlton Street Winnipeg, MB R3C 3H8 945-8714
Access 204 Manitoba 1200 – 155 Carlton Street Winnipeg, MB R3C 3H8 945-0701	**Manitoba Bureau Of Statistics** Chief Statistician 824 – 155 Carlton Street Winnipeg, MB R3C 3H8 945-2988
Industrial Technology Centre Chief Operating Officer Unit 12 – 1329 Niakwa Road E Winnipeg, MB R2J 3T4 945-6126	**Industry Development – Financial Services** Director 5th Floor – 155 Carlton Street Winnipeg, MB R3C 3H8 945-7626

Manitoba Trade & Investment Corporation
President
410 – 155 Carlton Street
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Geological Survey
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Regional Geological Survey Office
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Flin Flon, MB R8A 1K2 (204) 687-1633

Regional Geological Survey Office
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Thompson, MB R8N 1X4 (204) 677-6881

Core Storage Facilities
10 Midland Street
Winnipeg, MB R3E 2Y6 945-6550

Petroleum
Director
360 – 1395 Ellice Avenue
Winnipeg, MB R3G 3P2 945-6573

Petroleum
Virden District
(Inspection and Publications)
227 King Street
Virden, MB ROM 2CO (204) 748-4260

Petroleum
Waskada District
103 Railway
Waskada, MB ROM 2EO (204) 673-2472

Canada/Manitoba Business Service Centre
250 – 240 Graham Avenue
P.O. Box 2609
Winnipeg, MB R3C 4B3 984-2272

Western Regional Office
107 – 340 9th Street
Brandon, MB R7A 6C2 (204) 726-6257

Mines
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Winnipeg, MB R3G 3P2 945-6505

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Regional Mining Engineering Office
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405 Main Street
Russell, MB ROJ 1WO (204) 773-3343

Regional Mining Engineering Office
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340 Ninth Street
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